

JUAB COUNTY

Financial Statements

December 31, 2006

JUAB COUNTY
Financial Statements
December 31, 2006

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INDEPENDENT AUDITORS' REPORT

Honorable Board of County Commissioners
Juab County
Nephi, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Juab County, Utah, as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Juab County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Juab County, Utah, as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued our report dated May 24, 2007 on our consideration of Juab County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying Management's Discussion and Analysis, budgetary comparison information and infrastructure information on pages MDA-1 through MDA-7 and pages 39 through 42, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the County's basic financial statements. The combining and individual fund and account group financial statements and other statements and schedules as listed in the supplementary information section of the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements of Juab County. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Hawkins Cloward & Simister, LC

HAWKINS CLOWARD & SIMISTER, LC
CERTIFIED PUBLIC ACCOUNTANTS

May 24, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

This Management Discussion and Analysis (MD&A) of Juab County's financial performance is designed to assist readers in understanding the County's basic financial statements, the relationship of different types of statements, and the significant differences in the information they provide. The MD&A will identify changes in the County's ability to address the next and subsequent year's financial needs, based on currently known facts and is best understood if read in conjunction with Juab County's basic financial statements.

FINANCIAL HIGHLIGHTS AS OF THE CLOSE OF FY 2006

The government-wide assets of Juab County exceeded its liabilities by \$249,553,913. Of this amount, \$2,666,522 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net assets increased by \$1,240,964.

The County's governmental funds reported combined ending fund balances of \$6,292,334, an increase of \$155,181 over the prior year's ending fund balances. Governmental funds report capital outlay as expenditures.

The General Fund transferred \$44,000 to the Capital Projects Fund, increasing the equity in the Capital Projects Fund to \$981,028 at year-end. The General Fund increased its available equity by \$363,666 to \$1,744,877. The Class B Road Fund expended \$360,930 more than its revenues, decreasing its equity to \$3,064,928.

OVERVIEW OF THE FINANCIAL STATEMENTS

Juab County's financial statements focus on both the County as a whole (government-wide), and on the major individual funds. "Funds" are resources segregated for the purposes of implementing specific activities in accordance with special regulations, restrictions, or limitations. Both government-wide and fund perspectives allow users to address relevant questions and understand changes in financial conditions. The structure of the financial statements is presented below.

The MD&A is intended to be an introduction to Juab County's basic financial statements and is comprised of three components, including government-wide financial statements, fund financial statements, and notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed so that all governmental and business-type activities are reported in columns, which add to a total for the primary government. The Statement of Net Assets provides bottom line results of the County's activities as a whole and presents a longer-term view of the County's finances. The Statement of Net Assets and the Statement of Activities report information about Juab County's financial position and activities in the following categories:

Governmental activities - Most of the County's basic services including general administration are reported here. Property taxes, fees, and state and federal grants finance most of these activities.

Business-type activities - Fees are charged to cover the cost of services provided by the Municipal Building Authority, Landfill Operations, and the JRDA Landfill.

Component Units - The County includes separate legal entities in its report - Fire District, Special Service District #1 and Special Service District #2. Although legally separate, these component units are important because the County is financially accountable for them.

Fund Financial Statements

Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements provide detailed information that focus on the most significant funds rather than the County as a whole. Major funds are separately reported to control and manage money and to show that legal responsibilities are met for certain taxes, grants and other designated funds. Juab County uses the following types of funds:

Governmental Funds - Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Juab County has the following major governmental funds - General, B Road and Capital Projects. The Services accounted for in the General Fund include general government, public safety, judicial, public health, highway and public improvements, economic development.

Proprietary Funds - Consist of enterprise funds used to account for operations that are financed and operated in a manner similar to private businesses. Juab County has three Enterprise Funds - Municipal Building Authority, Landfill Operations and JRDA Landfill.

Fiduciary Funds - Fiduciary funds are used to account for resources held by Juab County in a trustee capacity or as an agent for the benefit of other individuals, governmental units or other funds. Fiduciary funds are not reflected in the government-wide financial statements, as the resources of those funds are not available to support the County's activities.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18 through 38.

**FINANCIAL ANALYSIS OF JUAB COUNTY, UTAH:
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

Comparative Information

Revenues and Expenses

The revenues of the County for 2006 and 2005 are as follows:

<u>Program Revenues</u>	<u>2006</u>	<u>2005</u>
Fees, Fines and charges	\$ 2,633,892	\$ 2,265,295
Operating grants, contributions	2,483,528	2,431,459
Capital grants, contributions	<u>372,427</u>	<u>192,194</u>
	<u>5,489,847</u>	<u>4,888,948</u>
 <u>General Revenues</u>		
Property tax	1,772,036	1,858,000
Sales tax	427,021	1,110,840
Other taxes	141,881	146,100
Interest	380,476	201,541
Contributions-JSSD2	677,615	300,000
Other	<u>381,030</u>	<u>60,046</u>
	<u>3,780,059</u>	<u>3,676,527</u>
 Total revenues	 <u>\$ 9,269,906</u>	 <u>\$ 8,565,475</u>

See page 4 of financial statements for program expenses by function.

Net Assets

The County's assets exceeded its liabilities at the close of FY06 by \$249,553,913. The largest segment of the County's net assets reflect its investment in capital assets (e.g. land, infrastructure, buildings and equipment), less any related outstanding debt used to acquire those assets. Capital Asset resources are not available for future spending and cannot be liquidated to pay off related liabilities. Resources needed to repay capital-related debt must be provided from other funding sources.

The following is condensed information from the government-wide financial statements, not including amounts of component units.

	Governmental Activities	Business-Type Activities	2006 Total	2005 Total
Capital assets	\$242,441,660	\$ 2,362,544	\$244,804,204	\$244,065,061
Other assets	<u>6,655,254</u>	<u>889,494</u>	<u>7,544,748</u>	<u>7,208,555</u>
Total Assets	<u>\$249,096,914</u>	<u>\$ 3,252,038</u>	<u>\$252,348,952</u>	<u>\$251,273,616</u>
Total liabilities	<u>\$ 724,522</u>	<u>\$ 2,070,517</u>	<u>\$ 2,795,039</u>	<u>\$ 2,960,667</u>
Net Assets				
Invested in cap. assets, net of related debt	\$242,441,660	\$ 511,791	\$242,953,451	\$242,076,614
Restricted for				
Class B Road	3,064,928		3,064,928	3,425,858
Economic Development	186,673		186,673	163,541
RS2477 Costs	36,124		36,124	29,414
Debt Service		444,625	444,625	383,318
Landfill Closure		201,590	201,590	
Unrestricted	<u>2,643,007</u>	<u>23,515</u>	<u>2,666,522</u>	<u>2,042,384</u>
Total net assets	<u>\$248,372,392</u>	<u>\$ 1,181,521</u>	<u>\$249,533,913</u>	<u>\$248,312,949</u>

General Fund Budgetary Highlights

During the year ended December 31, 2006, the following changes were made to the General Fund Budget with Resolution No. 12-16-06:

Increase to the following departments:

Data Processing	\$ 13,000
Rural Public Lands	17,000
Attorney	14,000
Assessor	6,000
Indigent Counsel	4,000
Sheriff	252,000
Emergency Services	1,000
Six County Service Contracts	110,000
UAC Dues	13,000
Libraries	70,000
Agriculture Extension	150
Inspection Costs	2,500
Weed control	2,500
Mosquito Abatement	10,500
W. Desert Ambulance	1,000
Transfer to Capital Projects Fund	44,000
Transfer to A& C Fund	30,000
Non-departmental	59,500
Total increase in expenditures	<u>650,150</u>

Decrease in the following departments:

Contingency	\$ 58,000
Surveyor	15,000
County Jail	178,641
Ambulance Services	40,000
Total decrease in expenditures	<u>\$291,641</u>
Net increase in expenditures	<u>\$358,509</u>

The following revenues were increased (decreased):

Property Tax Revenue	\$(197,991)
Prior Years Taxes	6,500
Payment in Lieu of Taxes	(9,500)
Rents and Concessions	(6,000)
Mosquito Abatement Grant	25,000
Miscellaneous Grant	72,000
Meth Grant	90,000
Cloud Seeding	6,000
Recorders Fees	25,000
Building Permits	45,000
Animal Services	(1,000)
Homeland Security Grant	(50,000)
Surveyors Grant	25,000
Natural Gas Revenues	21,000
911 System Fees	25,000
State Inmate Housing	56,000
Fines & Forfeitures	235,000
District Court Fines	700
District Court Contract	(500)
Jail Fees	<u>(8,700)</u>
Net increase in revenues	<u>\$ 358,509</u>

See pages 40 and 49-52 for summary of changes and variances from actual results.

Capital Asset and Debt Administration

Capital Assets

Capital assets are reported in the government-wide financial statements in both the governmental activities and business-like activities. They are further divided into categories of assets not being depreciated (land and infrastructure) and those not being depreciated. The County's use of the 'modified approach' for reporting infrastructure assets is explained on pages 38 and 39 of the financial statements. Also, please see Note 6 to the financial statements starting on page 30 for more detail.

Long-term Debt

The County issued series 1995 A and 1995B Municipal Building Authority Lease Revenue Bonds totaling \$2,304,500. Repayment of these bonds continue through January 1, 2019. The total amount remaining on the principal is \$1,405,750.

The County issued series 1997 Landfill Revenue Bonds in the amount of \$263,000. Repayment of the bonds continue through July 1, 2011. The total amount remaining on the principal is \$121,000.

The County approved a financing agreement with the Juab Municipal Building Authority in 2003 to construct an addition to the Public Safety Building for \$245,493. The loan will be paid in 20 annual payments, the final payment due October 23, 2023. The remaining principal balance is \$220,617.

Please see Note 4 to the Financial Statements starting on page 25 for more detail.

Business-type Activities

Please see Notes 13 and 14 to the Financial Statements starting on page 35 for more detail.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Juab County Commission will consider a number of factors when setting future Budgets, including but not limited to the unemployment rate, increase/decrease in market values of property and tax rates.

Contacting the County's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and show accountability for the money it receives. If you have questions about this report or need additional financial information, contact Patricia M Ingram, Juab County Clerk/Auditor, 160 North Main Street, Nephi, Utah 84648.

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by accounting principles generally accepted in the United States of America. The statements include:

- Government-wide financial statements

- Fund financial statements

 - Governmental funds

 - Proprietary (enterprise) funds

 - Fiduciary funds

 - Component Units

JUAB COUNTY
Government-wide Statement of Net Assets
December 31, 2006

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 2,400,557	\$ 503,951	\$ 2,904,508	\$ 1,725,869
State Treasurer's Investment Pool	2,712,471		2,712,471	672,857
Accounts receivable	682,195		682,195	228,872
Interest due from Treasurer	47,852		47,852	
Property taxes receivable	513,538		513,538	
Short-term interfund receivable	298,641	(298,641)		
Due from other governmental entities		37,969	37,969	
Other assets				5,722
Restricted assets				
Cash and cash equivalents		646,215	646,215	
Capital assets				
Buildings and machinery	10,878,262	3,017,901	13,896,163	2,806,337
Infrastructure	234,448,765		234,448,765	
Land	2,367,767	279,688	2,647,455	160,752
Accumulated depreciation	(4,773,945)	(935,045)	(5,708,990)	(1,357,126)
Total assets	<u>\$ 249,576,103</u>	<u>\$ 3,252,038</u>	<u>\$ 252,828,141</u>	<u>\$ 4,243,283</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 281,739	\$ 3,751	\$ 285,490	\$ 27,073
Accrued interest		28,395	28,395	
Other accrued liabilities	81,181	2,546	83,727	
Compensated absences	361,602		361,602	
Obligations under capital lease				94,846
Noncurrent liabilities				
Due within one year		117,663	117,663	
Due in more than one year		1,918,162	1,918,162	215,494
Total liabilities	<u>\$ 724,522</u>	<u>\$ 2,070,517</u>	<u>\$ 2,795,039</u>	<u>\$ 337,413</u>
NET ASSETS				
Invested in capital assets, net of related debt	\$ 242,920,849	\$ 511,791	\$ 243,432,640	\$ 1,299,623
Restricted for				
Class B Road	3,064,928		3,064,928	
Economic Development	186,673		186,673	
RS2477 Costs	36,124		36,124	
Debt service		444,625	444,625	
Landfill Closure		201,590	201,590	
Mineral Lease				1,645,474
Unrestricted	2,643,007	23,515	2,666,522	960,773
Total net assets	<u>\$ 248,851,581</u>	<u>\$ 1,181,521</u>	<u>\$ 250,033,102</u>	<u>\$ 3,905,870</u>

JUAB COUNTY
Government-wide Statement of Activities
For the Year Ended December 31, 2006

Program Activities	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 1,578,997	\$ 491,642	\$ 816,796	
Courts	226,380	731,520		
Buildings and grounds	468,690			
Public safety	2,388,633	751,060	17,809	\$ 347,427
Public health	162,277			25,000
Roads and public improvements	2,310,647	115,261	1,648,923	
Total governmental activities	<u>7,135,624</u>	<u>2,089,483</u>	<u>2,483,528</u>	<u>372,427</u>
Business-Type Activities				
Municipal Building Authority	116,206	150,843		
Landfill Operation	160,265	126,694		
JRDA Landfill	137,658	266,872		
Total business-type activities	<u>414,129</u>	<u>544,409</u>		
Total primary government	<u>\$ 7,549,753</u>	<u>\$ 2,633,892</u>	<u>\$ 2,483,528</u>	<u>\$ 372,427</u>
Component Units				
Fire District	\$ 585,168	\$ 77,178		\$ 284,068
Special Service District #1	14,716	5,048		
Special Service District #2	557,401		\$ 5,000	678,859
Total component units	<u>\$ 1,157,285</u>	<u>\$ 82,226</u>	<u>\$ 5,000</u>	<u>\$ 962,927</u>
General Revenues				
Taxes - advalorem				
Taxes - sales and use				
Taxes - restaurant				
Taxes - transient room				
Capital contribution				
Interest income				
Other income				
Total general revenues				
Change in net assets				
Net assets at beginning of year				
Net assets at end of year				

Net (Expenses) Revenues and Changes in Net Assets			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (270,559)		\$ (270,559)	
505,140		505,140	
(468,690)		(468,690)	
(1,272,337)		(1,272,337)	
(137,277)		(137,277)	
(546,463)		(546,463)	
<u>(2,190,186)</u>		<u>(2,190,186)</u>	
	\$ 34,637	34,637	
	(33,571)	(33,571)	
	<u>129,214</u>	<u>129,214</u>	
	<u>130,280</u>	<u>130,280</u>	
<u>(2,190,186)</u>	<u>130,280</u>	<u>(2,059,906)</u>	
			\$ (223,922)
			(9,668)
			<u>126,458</u>
			<u>(107,132)</u>
1,772,036		1,772,036	561,587
427,021		427,021	
79,479		79,479	
62,402		62,402	
969,376	(291,761)	677,615	
336,112	44,364	380,476	47,998
381,030		381,030	
<u>4,027,456</u>	<u>(247,397)</u>	<u>3,780,059</u>	<u>609,585</u>
1,837,270	(117,117)	1,720,153	502,453
<u>247,014,311</u>	<u>1,298,637</u>	<u>248,312,948</u>	<u>3,403,417</u>
<u>\$ 248,851,581</u>	<u>\$ 1,181,520</u>	<u>\$ 250,033,101</u>	<u>\$ 3,905,870</u>

JUAB COUNTY
GOVERNMENTAL FUNDS
Balance Sheet
December 31, 2006

ASSETS	General Fund	Class "B" Road Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 833,467	\$ 84,561	\$ 981,028	\$ 501,501	\$ 2,400,557
State Treasurer's Investment Pool		2,712,471			2,712,471
Accounts receivable	200,249	337,689		144,257	682,195
Accrued interest receivable	47,852				47,852
Property taxes receivable	513,538				513,538
Short-term interfund receivable	419,873				419,873
Total assets	<u>\$ 2,014,979</u>	<u>\$ 3,134,721</u>	<u>\$ 981,028</u>	<u>\$ 645,758</u>	<u>\$ 6,776,486</u>
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 188,921	\$ 69,793		\$ 23,025	\$ 281,739
Accrued liabilities	81,181				81,181
Short-term interfund payable				121,232	121,232
Total liabilities	<u>270,102</u>	<u>69,793</u>		<u>144,257</u>	<u>484,152</u>
Fund Equity					
Reserved		3,064,928	\$ 981,028	501,501	4,547,457
Unreserved	1,744,877				1,744,877
Total fund equity	<u>1,744,877</u>	<u>3,064,928</u>	<u>981,028</u>	<u>501,501</u>	<u>6,292,334</u>
Total liabilities and fund equity	<u>\$ 2,014,979</u>	<u>\$ 3,134,721</u>	<u>\$ 981,028</u>	<u>\$ 645,758</u>	<u>\$ 6,776,486</u>

JUAB COUNTY
Reconciliation of the Governmental Funds Balance Sheet
to Statement of Net Assets
December 31, 2006

Total fund balance - total governmental funds	\$ 6,292,334
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Amounts reported for governmental activities in the
Statement of Net Assets are different because:

Capital assets used in governmental activities are not current financial resources; therefore, they are not reported in the governmental funds balance sheet.	242,920,849
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Long-term liabilities are not due and payable in the current period; therefore, they are not reported in the governmental funds balance sheet.	(361,602)
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Net assets of governmental activities	<u>\$ 248,851,581</u>
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JUAB COUNTY
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and Changes in Fund Balances
December 31, 2006

	General Fund	Class "B" Road Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 2,278,536			\$ 426,838	\$ 2,705,374
Licenses and permits	51,297				51,297
Intergovernmental	1,164,256	\$ 1,587,699			2,751,955
Charges for services	1,122,779				1,122,779
Fines and forfeitures	731,520				731,520
Miscellaneous	143,576	109,991		34,120	287,687
Interest income	106,174	169,371	\$ 36,464	24,103	336,112
Total revenues	<u>5,598,138</u>	<u>1,867,061</u>	<u>36,464</u>	<u>485,061</u>	<u>7,986,724</u>
Expenditures					
General government	1,377,151			544,752	1,921,903
Courts	225,693				225,693
Buildings and grounds	486,087				486,087
Public safety	2,681,542				2,681,542
Public health	159,937				159,937
Roads and public improvement	122,940	2,227,991			2,350,931
Total expenditures	<u>5,053,350</u>	<u>2,227,991</u>		<u>544,752</u>	<u>7,826,093</u>
Excess of revenues over expenditures	544,788	(360,930)	36,464	(59,691)	160,631
Other Financing Sources and (Uses)					
Transfer from other funds	22,000		44,000	153,672	219,672
Transfer to other funds	(197,672)			(22,000)	(219,672)
Transfer to Fire District	(5,450)				(5,450)
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>363,666</u>	<u>(360,930)</u>	<u>80,464</u>	<u>71,981</u>	<u>155,181</u>
Fund balance, January 1	<u>1,381,211</u>	<u>3,425,858</u>	<u>900,564</u>	<u>429,520</u>	<u>6,137,153</u>
Fund balance, December 31	<u>\$ 1,744,877</u>	<u>\$ 3,064,928</u>	<u>\$ 981,028</u>	<u>\$ 501,501</u>	<u>\$ 6,292,334</u>

JUAB COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
December 31, 2006

Net change in fund balances - total governmental funds \$ 155,181

Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However,
in the Government-wide Statement of Activities and Changes in
Net Assets, the cost of those assets is allocated over their estimated
useful lives as depreciable expense. This is the amount of capital
assets recorded in the current period. 1,929,592

Depreciation expense on capital assets is reported in the Government-wide
Statement of Activities and Changes in Net Assets, but it does not
require the use of current financial resources. Therefore, depreciation
expense is not reported as an expenditure in governmental funds. (626,794)

The issuance of long-term debt (e.g. note payable) provides current
financial resources to governmental funds, while the repayment of the
principal on long-term debt consumes the current financial resources
of governmental funds. Neither transaction, however, has any effect on
net assets. This amount is the net effect of these differences in the
treatment of long-term debt and related items. (90,118)

Adjustment to gain on asset sale due to depreciation taken 16,794

Receipt of contributions not recognized as income in the governmental
funds that were used to purchase capital assets. Contributions
received were from outside entities. 452,615

Change in net assets of governmental activities \$ 1,837,270

JUAB COUNTY
PROPRIETARY FUNDS
Combining Statement of Net Assets
December 31, 2006
With Comparative Totals for December 31, 2005

	Municipal Building Authority	Landfill Operation Fund	JRDA Landfill Fund	Totals (Memorandum Only)	
				2006	2005
ASSETS					
Current Assets					
Cash and cash equivalents	\$ -0-	\$ -0-	\$ 503,951	\$ 503,951	\$ 343,653
Due from other governmental units			37,969	37,969	38,010
Total current assets	<u>-0-</u>	<u>-0-</u>	<u>541,920</u>	<u>541,920</u>	<u>381,663</u>
Noncurrent assets					
Restricted cash and cash equivalents	251,928	192,697	201,590	646,215	575,138
Property and equipment, at cost					
Equipment	21,134	283,886		305,020	305,020
Buildings	2,712,881			2,712,881	2,712,881
Construction in progress					456,384
Land	61,487		218,201	279,688	279,688
Accumulated depreciation	(698,845)	(236,201)		(935,045)	(837,555)
Net property and equipment	<u>2,096,657</u>	<u>47,685</u>	<u>218,201</u>	<u>2,362,544</u>	<u>2,916,418</u>
Total assets	<u>\$ 2,348,586</u>	<u>\$ 240,382</u>	<u>\$ 961,711</u>	<u>\$ 3,550,679</u>	<u>\$ 3,873,219</u>
LIABILITIES					
Current Liabilities					
Accounts payable		\$ 3,731	\$ 20	\$ 3,751	\$ 2,559
Accrued interest	\$ 26,580	1,815		28,395	30,365
Short-term interfund payables	139,175	159,465		298,641	378,806
Accrued liabilities		2,546		2,546	1,469
Current portion long-term debt	117,663	23,000		140,663	140,334
Total current liabilities	<u>283,418</u>	<u>190,558</u>	<u>20</u>	<u>473,996</u>	<u>553,533</u>
Noncurrent liabilities					
Estimated liability-closure/postclosure			213,466	213,466	203,301
Bonds payable	1,405,750	121,000		1,526,750	1,644,500
Deferred interest payable	74,992			74,992	79,653
Construction loan	220,617			220,617	233,929
Less current portion	(117,663)	(23,000)		(140,663)	(140,334)
Total noncurrent liabilities	<u>1,583,696</u>	<u>98,000</u>	<u>213,466</u>	<u>1,895,162</u>	<u>2,021,049</u>
Total liabilities	<u>\$ 1,867,114</u>	<u>\$ 288,558</u>	<u>\$ 213,486</u>	<u>\$ 2,369,157</u>	<u>\$ 2,574,582</u>
NET ASSETS					
Invested in capital assets, net of related debt	\$ 368,719	\$ (75,130)	\$ 218,201	\$ 511,791	\$ 927,971
Restricted for					
Debt service	251,928	192,697		444,625	383,318
Landfill closure			201,590	201,590	191,820
Unrestricted	(139,176)	(165,743)	328,434	23,515	(204,472)
Total net assets (deficit)	<u>\$ 481,472</u>	<u>\$ (48,176)</u>	<u>\$ 748,225</u>	<u>\$ 1,181,521</u>	<u>\$ 1,298,637</u>

JUAB COUNTY
PROPRIETARY FUNDS
Combining Statement of Revenues, Expenses, and Changes in Net Assets
For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	Municipal Building Authority	Landfill Operation Fund	JRDA Landfill Fund	Totals (Memorandum Only)	
				2006	2005
Operating Revenues					
Landfill fees			\$ 266,872	\$ 266,872	\$ 284,546
Lease revenues	\$ 150,843			150,843	151,212
Landfill contract earnings		\$ 126,694		126,694	126,324
Total operating revenues	150,843	126,694	266,872	544,409	562,082
Operating Expenses					
Salaries and wages		40,684		40,684	54,141
Employee benefits		24,664		24,664	26,383
Materials, supplies, and services	1,317	36,697	800	38,814	50,696
Management		19,632		19,632	10,127
Utilities	264			264	950
Contract payment to Juab County			126,694	126,694	126,324
Closure/postclosure costs			10,164	10,164	9,680
Depreciation expense	69,101	28,389		97,490	98,899
Total operating expenses	70,682	150,066	137,658	358,406	377,200
Net operating income (loss)	80,161	(23,372)	129,214	186,003	184,882
Nonoperating Revenues (Expenses)					
Interest income	5,751	7,985	30,628	44,364	19,748
Interest expense	(45,524)	(10,199)		(55,723)	(44,914)
Total nonoperating revenues (expenses)	(39,773)	(2,214)	30,628	(11,359)	(25,166)
Net income before capital contributions	40,388	(25,586)	159,842	174,644	159,716
Capital Contributions					
Transfer from JSSD #2	225,000			225,000	300,000
Transfer to General Fund	(516,761)			(516,761)	
Total Capital Contributions	(291,761)			(291,761)	300,000
Net income (loss)	(251,373)	(25,586)	159,842	(117,117)	459,716
Net assets (deficit) at beginning of the year	732,845	(22,591)	588,383	1,298,637	838,921
Net assets (deficit) at end of the year	\$ 481,472	\$ (48,177)	\$ 748,225	\$ 1,181,520	\$ 1,298,637

JUAB COUNTY
PROPRIETARY FUNDS
Combining Statement of Cash Flows
For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	Municipal Building Authority	Landfill Operation Fund	JRDA Landfill Fund	Totals (Memorandum Only)	
				2006	2005
Cash flows from operating activities					
Cash received from					
Customers			\$ 266,914	\$ 266,914	\$ 285,976
Service income - JRDA Fund		\$ 126,694		126,694	126,324
Lease income from General Fund	\$ 150,843			150,843	151,212
Cash paid to/for					
Employees		(64,271)		(64,271)	(79,431)
Suppliers	(2,327)	(54,411)	(780)	(57,517)	(61,065)
Contract payment to Juab County			(126,694)	(126,694)	(126,324)
Net cash provided by operating activities	148,516	8,012	139,441	295,969	296,692
Cash Flows From Investing Activities					
Payment for construction in progress	(60,378)			(60,378)	(456,384)
Advance due from JRDA		(11,697)			
Interest on cash and cash equivalents	5,751	7,985	30,628	44,364	19,748
Net cash provided (used) by investing activities	(54,627)	(3,712)	30,628	(16,013)	(436,636)
Cash Flows From Noncapital Financing Activities					
Interfund borrowing	(159,306)	90,838		(68,468)	336,054
Net cash provided (used) by noncapital financing activities	(159,306)	90,838		(68,468)	336,054
Cash Flows From Capital and Related Financing Activities					
Contribution to Landfill Operating Fund	225,000			225,000	300,000
Payment on bonds and notes	(109,062)	(22,000)		(131,062)	(115,750)
Interest paid on bonds	(45,524)	(10,199)		(55,723)	(46,835)
Loan for construction					(11,564)
Payment of deferred interest on bonds	(6,301)	(330)		(6,631)	(4,526)
Net cash provided (used) by capital and related financing activities	64,113	(32,529)		31,584	121,325
Net increase (decrease) in cash and cash equivalents	(1,303)	62,610	170,069	243,072	317,435
Cash and cash equivalents at beginning of year	253,231	130,087	535,472	918,790	601,355
Cash and cash equivalents at end of year	\$ 251,928	\$ 192,697	\$ 705,541	\$ 1,161,862	\$ 918,790
Reconciliation to operating income					
Operating income (loss)	\$ 80,161	\$ (23,372)	\$ 129,214	\$ 186,003	\$ 184,882
Adjustments to reconcile operating income(loss) to net cash provided by operating activities					
Depreciation	69,101	28,389		97,490	98,899
Increase in liability for closure			10,164	10,164	9,680
Changes in current assets and liabilities					
(Increase) decrease in					
Accounts receivable			42	42	1,663
Due from other governmental units					(233)
Increase (decrease) in					
Accounts payable	(746)	1,918	20	1,193	2,559
Accrued liabilities		1,077		1,077	(758)
Net cash provided by operating activities	\$ 148,516	\$ 8,012	\$ 139,441	\$ 295,969	\$ 296,692

JUAB COUNTY
FIDUCIARY FUNDS
Statement of Fiduciary Net Assets
December 31, 2006

	Treasurer's Tax Account	Court Trust	Total Fiduciary Funds	Total Memo 2005
Assets				
Restricted cash and cash equivalents	\$ 2,577,619	\$ 139,825	\$ 2,717,444	\$ 2,221,710
Total assets	<u>\$ 2,577,619</u>	<u>\$ 139,825</u>	<u>\$ 2,717,444</u>	<u>\$ 2,221,710</u>
Liabilities				
Accounts payable		\$ 33,043	\$ 33,043	\$ 25,761
Court bonds and deposits held		106,782	106,782	78,666
Due to other taxing units	\$ 2,577,619		2,577,619	2,117,283
Total liabilities	<u>\$ 2,577,619</u>	<u>\$ 139,825</u>	<u>\$ 2,717,444</u>	<u>\$ 2,221,710</u>

JUAB COUNTY
TREASURER'S TRUST TAX FUND
(A TRUST FUND)
Statement of Changes in Fiduciary Net Assets
For the Year Ended December 31, 2006

	Balance January 1, 2006	Additions	Deductions	Balance December 31, 2006
Assets				
Cash and cash equivalents on hand	\$ 47,259	\$ 787,394	\$ 784,256	\$ 50,397
Cash and cash equivalents in bank	2,070,024	8,955,497	8,498,299	2,527,222
Total assets	<u>\$ 2,117,283</u>	<u>\$ 9,742,891</u>	<u>\$ 9,282,555</u>	<u>\$ 2,577,619</u>
Liabilities				
Due to taxing units	\$ 2,117,283	\$ 9,742,891	\$ 9,282,555	\$ 2,577,619
Total liabilities	<u>\$ 2,117,283</u>	<u>\$ 9,742,891</u>	<u>\$ 9,282,555</u>	<u>\$ 2,577,619</u>

**JUAB COUNTY
COURT TRUST FUND
(A TRUST FUND)**

**Statement of Changes in Fiduciary Net Assets
For the Year Ended December 31, 2006**

	Balance January 1, 2006	Additions	Deductions	Balance December 31, 2006
Assets				
Cash and cash equivalents	<u>\$ 104,427</u>	<u>\$ 217,219</u>	<u>\$ 181,821</u>	<u>\$ 139,825</u>
Liabilities				
Accounts payable	\$ 25,761	\$ 484,117	\$ 476,835	\$ 33,043
Court bonds and deposits held	78,666	514,970	486,854	106,782
Total liabilities	<u>\$ 104,427</u>	<u>\$ 999,087</u>	<u>\$ 963,689</u>	<u>\$ 139,825</u>

COMPONENT UNITS

The component units of the County were created for specific purposes outlined below:

Juab County Special Service District #1 – to account for the ownership, operation and maintenance of the Museum in the old County courthouse.

Juab County Special Service District #2 – to account for the expenditure of mineral lease monies.

Juab County Special Service Fire District – to account for the revenues and expenditures associated with fire protection in the County.

**JUAB COUNTY
COMPONENT UNITS**

Combining Statement of Net Assets

December 31, 2006

	Juab Special Service Fire District	Juab Special Service District #1	Juab Special Service District #2	Total Component Units
ASSETS				
Cash and cash equivalents	\$ 76,608	\$ 29,165	\$ 1,620,096	\$ 1,725,869
State Treasurer's Investment Pool	672,857			672,857
Accounts receivable	228,872			228,872
Other assets	5,722			5,722
Capital assets				
Depreciable buildings and equipment	2,042,555	763,782		2,806,337
Land	140,990	19,762		160,752
Accumulated depreciation	(1,080,394)	(276,732)		(1,357,126)
Total assets	<u>\$ 2,087,210</u>	<u>\$ 535,977</u>	<u>\$ 1,620,096</u>	<u>\$ 4,243,283</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 27,073			\$ 27,073
Obligations under capital lease	94,846			94,846
Noncurrent liabilities	215,494			215,494
Total liabilities	<u>\$ 337,413</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 337,413</u>
NET ASSETS				
Invested in capital assets, net of related debt	\$ 792,811	\$ 506,812		\$ 1,299,623
Restricted		25,378	\$ 1,620,096	1,645,474
Unrestricted	956,986	3,787		960,773
Total net assets	<u>\$ 1,749,797</u>	<u>\$ 535,977</u>	<u>\$ 1,620,096</u>	<u>\$ 3,905,870</u>

**JUAB COUNTY
COMPONENT UNITS**

Combining Statement of Activities

For the Year Ended December 31, 2006

Program Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Component Units					
Fire District	\$ 585,168	\$ 77,178		\$ 284,068	\$ (223,922)
Special Service District #1	14,716	5,048			(9,668)
Special Service District #2	557,401		\$ 5,000	678,859	126,458
Total component units	<u>\$ 1,157,285</u>	<u>\$ 82,226</u>	<u>\$ 5,000</u>	<u>\$ 962,927</u>	<u>(107,132)</u>
General Revenues					
Taxes - advalorem					561,587
Interest income					47,998
Total general revenues					<u>609,585</u>
Change in net assets					502,453
Net assets at beginning of year					<u>3,403,417</u>
Net assets at end of year					<u>\$ 3,905,870</u>

NOTES TO FINANCIAL STATEMENTS

The notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Juab County (County) conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The following is a summary of the significant policies.

Scope of Reporting Entity

The criteria outlined by the Governmental Accounting Standards Board Statement 39 have been applied in determining the component governmental units included in these financial statements. Included component units are those for which the elected officials of the County are financially accountable and other organizations whose exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Each potential component unit is individually evaluated using the specific criteria outlined in GASB Statements 14 and 39 to determine whether the entity is: a) part of the primary government; b) a component unit which should be included in the reporting entity (blended or discretely presented); or c) an organization which should be excluded from the reporting entity entirely. The principal criteria for classifying a potential component unit include: a) the legal separateness of the organization, and b) the financial accountability of the primary government, its ability to impose its will on the potential component unit and the potential component unit's fiscal dependency on the primary government. Complete financial statements of the discrete component units, which issue separate financial statements, can be obtained from their respective administrative offices or from the County Clerk. There are no separate financial statements available for any of the blended component units included in the financial statements of the County.

The following component units have been included in the County's financial statements for 2006:

- Juab Community and Economic Development Agency
- Juab County Fair Board
- East Juab Ambulance Association
- West Juab Ambulance Association
- West Desert Ambulance Association
- Municipal Building Authority of Juab County
- Juab Rural Development Agency Landfill
- Juab County Special Service District #1
- Juab County Special Service District #2
- Juab Special Service Fire District

The Juab Community and Economic Development Agency is a blended component unit of the County and was organized to address the economic development needs of the County. Its assets, liabilities, revenues, expenditures, and fund balance have been reported in the Community Development Special Revenue Fund of the County. In July of 2005 the Six County Association of Governments discontinued passing through federal Community Development Block Grant monies to the County. Therefore, the special revenue fund was terminated at the end of 2005.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Juab County Fair Board was created to plan, organize, and operate the annual County fair.

The ambulance associations were created to provide remote emergency medical care within the County. These entities are blended component units of the County and the assets, liabilities, revenues, expenditures, and fund balances are included in the General Fund of the County.

The Municipal Building Authority of Juab County is a blended component unit of the County and was organized for the purpose of acquiring property, planning, constructing, and operating the Juab Public Safety building complex. In 2005 this entity also began the construction of a new emergency services building, principally to house the ambulance operations. The operations of the Municipal Building Authority are accounted for in an enterprise fund. Note 16 further describes the Municipal Building Authority.

The Juab Rural Development Agency Landfill Fund is a blended component unit of the County. The County acts as an agent for the collection of landfill fees from the municipalities that bill the landfill users, for contract operation of the landfill, for the maintenance of the contractually required reserves for debt service and closure/post-closure costs, and for the filing of required regulatory reports. The operations of the Juab Rural Development Agency Landfill are accounted for in an enterprise fund. Note 15 further describes the Juab Rural Development Agency.

Juab County Special Service District #1 is a discrete component unit of the County and was created for the purpose of obtaining mineral lease funding, renovating the old Juab County Courthouse into a museum and its subsequent operation.

Juab County Special Service District #2 is a discrete component unit of the County and was originally created for the purpose of major capital improvement on the Juab County road system, and related costs such as bridge installation and existing heavy asphalt resurfacing. Its purposes have since been expanded to recreational purposes as well all other legal purposes for which such special service districts can expend its mineral lease funding.

The Juab Special Service Fire District was created during 1999, and began significant operations in 2001. It is a discrete component unit of the County. It was created to provide fire protection and suppression services to the County and Municipalities within the County.

The discrete component units' aggregated financial statement amounts are reported separately in the government-wide financial statements. Separate financial statements for the discrete component units can be obtained from the County Clerk.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the activities of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues. Fiduciary funds are not reported in the government-wide financial statements.

Fund Accounting

The County segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental, proprietary and fiduciary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most of the governmental functions typically are financed. The County has presented the following major governmental funds:

General Fund

The General Fund is the main operating fund of the County. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Capital Projects Fund

The Capital Projects Fund is used to account for funds received and expended for the acquisition or construction of capital facilities, improvements, and equipment (other than those financed by proprietary funds).

B Road Fund

The B Road Fund is used to account for the expenditures in the maintenance and the building of roads and bridges in Juab County.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers amounts collected within 60 days after year end to be available.

Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Those revenues susceptible to accrual are property taxes, franchise taxes, grants relative to recorded costs, interest revenue, and charges for services. Sales and other taxes collected at year end and payable to the State on behalf of the County also are recognized as revenue. Fines and permits are not susceptible to accrual because generally they are not measurable until payments are received. Property taxes are assessed, billed, collected and remitted within the calendar year.

Short-term Interfund Receivables/Payables

During the course of operations, transactions occur which result in amounts owed to a particular fund by another fund, other than for goods provided or services rendered. These receivables and payables are classified as "interfund receivables/payables" on the balance sheet.

Compensated Absences

Under terms of administrative policy, regular, full-time, permanent employees are granted vacation and sick leave in varying amounts which may be accumulated and paid upon separation from County service.

Vested or accumulated vacation and sick leave that is due at year-end to terminated employees is reported as an expenditure and liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation and sick leave that are not due and payable at year-end are reported only in the proprietary funds and in the government-wide financial statements.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

No liability is recorded for non-vesting rights to personal leave.

Cash and Investments

The County considers all highly liquid investments maturing within three months of date of purchase to be cash equivalents. Cash balances are invested to the extent available. Investments include obligations of the U.S. Treasury, corporate bonds, and repurchase agreements. Investments are stated at cost.

Budget Amendments

As budget amendments become necessary, these are done by resolution of the Commission. If the total budgeted expenditures of any budgetary fund are to be increased as a result of the amendments, a public hearing is held, after appropriate public notice is given, prior to the amendments being made. Significant amendments were made in 2006.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at December 31, 2006, and revenues and expenses during the year then ended. The actual results could differ from those estimates.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for the proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment in the governmental funds.

Assets, having an original cost of \$5,000 or more are capitalized. Depreciation has been calculated on each class of depreciable property other than infrastructure using the straight-line method. Estimated useful lives are as follows:

Buildings and improvements	10 – 50 years
Improvements other than buildings	20 – 50 years
Machinery and equipment	5 – 20 years

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The County has adopted an allowable alternative to reporting depreciation for its road and bridge networks. Under this alternative method, referred to as the “modified approach,” the County must maintain an asset management system and demonstrate that its roads and bridges are being preserved at or above condition levels established by County policy. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed.

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations in governmental funds. During 2006, the Juab Municipal Building Authority (which is reported in an enterprise fund) completed construction of a new emergency services building and transferred ownership of it to the County. Since this transfer did not provide budgetary resources to the General Fund, no transfer in was recorded in the General Fund.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The County first utilizes restricted resources to finance qualifying activities.

NOTE 2 – RETIREMENT PLANS

The County contributes to the Local Governmental Contributory Retirement System, the Local Government Noncontributory Retirement System, and the Public Safety Retirement System. These retirement systems are cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Utah Retirement Systems provide retirement benefits, annual cost-of-living adjustments, death benefits and refunds to plan members and beneficiaries in accordance with retirement statutes established and amended by the State Legislature.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended, which also establishes the Utah State Retirement Office for the administration of the Utah Retirement Systems and plans under the direction of the Utah State Retirement Board whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems and plans. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800-365-8772.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 2 – RETIREMENT PLANS (CONTINUED)

Under the contributory system, the County paid both the employer and employee portions of the required plan contributions, totaling 13.08% through June 30, 2006 and 13.58% thereafter, of eligible employees' earnings for 2006. Under the noncontributory system the County contributed 11.09% through June 30, 2006 and 11.59% thereafter, of eligible employees' earnings for 2006.

Under the Public Safety Noncontributory Retirement System, the County contributed the required contribution of 19.34% through June 30, 2006 and 22.38% thereafter, of eligible employees' earnings for 2006. The contribution rates are the actuarially determined rates and are approved by the Board as authorized by Chapter 49.

The County contributions to the Local Governmental Contributory Retirement System for 2006, 2005, and 2004 were \$9,045, \$8,240, and \$7,691, respectively; and for the Noncontributory Retirement System, the contributions for 2006, 2005, and 2004, were \$147,171, \$126,707, and \$111,924, respectively, and for the Public Safety Retirement System, the contributions for 2006, 2005, and 2004, were \$153,602, \$130,446, and \$101,573, respectively. The contributions were equal to the required contributions for each year.

The County also participates in a defined contribution retirement plan, as approved by the County Commission. The plan meets the requirements of qualified plans under section 401(K) of the Internal Revenue Code and covers substantially all eligible employees, except public safety employees. The County contributed to this plan 8.8% of eligible compensation for 2006 for employees participating in the noncontributory plan noted above and 10.79% for employees participating in the contributory plan noted above. Elected officials in the County who have chosen not to be covered under the Utah Retirement Systems had 22.38% of eligible compensation contributed to this plan for January through December 2006.

The employees have the option of making additional voluntary contributions through payroll deductions. Employees are 100% vested in all contributions to this plan. The plan is administered by the Manufacturer's Life Insurance Company. It was adopted in September, 1989. The County contributions to this plan for 2006 were \$182,439.

NOTE 3 – RESERVED FUND BALANCES/RESTRICTED NET ASSETS

In the fund financial statements reservations are used to indicate that a portion of the fund balance is not available for appropriation or expenditure, or is legally segregated for a specific future use. At December 31, 2006, Juab County reserved fund balances as follows:

- Class "B" Road Fund Balance - Represents the unexpended balance of funds allocated by the State of Utah that may be used for road purposes only. The cash in this fund is shown as restricted for the purposes for which these monies were received.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 3 – RESERVED FUND BALANCES/RESTRICTED CASH (CONTINUED)

- Convention Bureau Fund Balance - Represents the unexpended balance of transient room tax monies which may be used for promotional purposes for which the tax was imposed.
- County Special Service Districts #1 & #2 - Represents the unexpended balance of mineral lease allocations that may be used only for purposes allowed by enabling state legislation.
- County Special Service Fire District - Represents the unexpended balance of grant and other monies which may be used for fire protection and suppression purposes only.

Restricted cash reflects cash which has been legally or contractually restricted for a particular purpose.

In the government-wide financial statements, portions of net assets are shown as restricted when constraints placed on their use are externally imposed by creditors, grantors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

NOTE 4 – LONG-TERM DEBT

Long-term debt consists of the following:

1995 \$1,052,250 Lease Revenue Bonds Series 1995A

On December 29, 1995, the County issued series 1995A Municipal Building Authority Lease Revenue Bonds in the amount of \$1,052,250. The proceeds of the bonds were used to pay in full the 1992A bonds with the associated costs of issuance of the 1995A bonds and to finish paying costs for the construction of the public safety facility which is being leased to the County. Lease revenues are pledged for principal payments. The bonds do not bear interest. Repayment on the bonds commenced on January 1, 1997 and continues through January 1, 2019.

1995 \$1,252,250 Lease Revenue Bonds Series 1995B

On December 29, 1995, the County issued series 1995B Municipal Building Authority Lease Revenue Bonds in the amount of \$1,252,250. The proceeds of the bonds were used to pay in full the 1992B bonds with the associated costs of issuance of the 1995B bonds and to finish paying costs for the construction of the public safety facility which is being leased to the County. Lease revenues are pledged for principal and interest payments. The interest rate on the bonds is 3%. Principal and interest payments on the bonds commence on January 1, 1997 and continue through January 1, 2019. Accrued interest on these bonds from inception through January 1, 1997 was \$112,374. This accrued interest amount is to be paid over the same term as the bond principal in annual installments of \$7,051. This obligation also bears interest at 3%.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 4 – LONG-TERM DEBT (CONTINUED)

The future minimum bond payments for both series 1995A and 1995B Bonds are combined as follows:

January 1	Principal Maturing	Accrued Interest Maturing	Interest Payment	Total Payment
2007	\$ 97,750	\$ 4,801	\$ 26,580	\$ 129,131
2008	98,750	4,945	24,876	128,571
2009	100,750	5,094	23,107	128,951
2010	102,750	5,246	21,335	129,331
2011	103,750	5,404	19,467	128,621
2012	105,750	5,566	17,565	128,881
2013	107,750	5,733	15,598	129,081
2014	109,750	5,905	13,566	129,221
2015	111,750	6,082	11,469	129,301
2016	113,750	6,265	9,306	129,321
2017	115,750	6,452	7,079	129,281
2018	117,750	6,646	4,785	129,181
2019	119,750	6,852	2,426	129,028
Total	<u>\$ 1,405,750</u>	<u>\$ 74,991</u>	<u>\$ 197,159</u>	<u>\$ 1,677,900</u>

Landfill Bond

In October, 1997 the County issued series 1997 Landfill Revenue Bonds in the amount of \$263,000. The proceeds of the bonds were used for the development of plans, securing operational permits and the purchase of equipment necessary for the operation of a consolidated solid waste disposal facility. The bonds bear interest at 3%. Principal repayment commenced on July 1, 2000 and continues through July 1, 2011. In connection with these bonds, the County was required to establish a reserve fund into which 1/72 of the maximum annual debt service requirement is deposited monthly. The County is also required to establish a bond fund into which 1/12 of the next succeeding payment is placed for each of the 12 months preceding each bond payment date.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 4 – LONG-TERM DEBT (CONTINUED)

The future minimum payments on the landfill bonds are as follows:

July 1	Principal Maturing	Interest Payment	Total Payment
2007	\$ 23,000	\$ 3,630	\$ 26,630
2008	23,000	2,940	25,940
2009	24,000	2,250	26,250
2010	25,000	1,530	26,530
2011	26,000	780	26,780
Total	<u>\$ 121,000</u>	<u>\$ 11,130</u>	<u>\$ 132,130</u>

Far West Bank Note

In September 2003 the County approved a financing agreement for the Juab Municipal Building Authority with Far West Bank. The agreement is for a \$250,000 credit line to construct an addition to the public safety building. The County drew down a total of \$245,493. The loan will be paid in 20 annual principal and interest payments beginning on or before October 23, 2005, with the final payment required by October 23, 2023. The interest rate will be adjusted to the prime rate every 5 years. The first adjustment date will be September 23, 2008. The annual payment will be \$22,002 until the next interest rate adjustment occurs as discussed earlier.

The future minimum payments on the Far West Bank note are as follows:

Oct 23	Principal Maturing	Interest Payment	Total Payment
2007	13,177.65	8,824.68	22,002.33
2008	13,704.75	8,297.58	22,002.33
2009	14,252.94	7,749.39	22,002.33
2010	14,823.06	7,179.27	22,002.33
2011	15,415.98	6,586.35	22,002.33
2012	16,032.62	5,969.71	22,002.33
2013	16,673.93	5,328.40	22,002.33
2014	17,340.89	4,661.44	22,002.33
2015	18,034.52	3,967.81	22,002.33
2016	18,755.90	3,246.43	22,002.33
2017	19,506.14	2,496.19	22,002.33
2018	20,286.38	1,715.95	22,002.33
2019	21,097.84	904.49	22,002.33
2020	1,514.44	60.56	1,575.00
	<u>220,617.04</u>	<u>66,988.25</u>	<u>287,605.29</u>

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 4 – LONG-TERM DEBT (CONTINUED)

Changes in all long-term debt for 2006 are as follows:

	Balance January 1 2006	Additions	Retirements and other Adjustments	Balance December 31 2006
Governmental Funds				
Accrued compensated absences	\$ 271,484	\$ 90,118		\$ 361,602
Total governmental funds	<u>\$ 271,484</u>	<u>\$ 90,118</u>	<u>\$ -0-</u>	<u>\$ 361,602</u>
Proprietary Funds				
Far West Bank Note	\$ 233,929		\$ 13,312	\$ 220,617
Revenue bonds	1,644,500		117,750	1,526,750
Estimated closure/post closure liability	203,301	\$ 10,165		213,466
Deferred interest	79,652		4,661	74,991
Total proprietary funds	<u>\$ 2,161,382</u>	<u>\$ 10,165</u>	<u>\$ 135,723</u>	<u>\$ 2,035,824</u>

Conduit Debt. In December, 1999 the County Commission approved a resolution for the issuance of Hospital Facility Revenue Bonds, Series 1999 for the acquisition, construction and equipping of new hospital facilities for Central Valley Medical Center, Inc., a Utah nonprofit corporation (the Center). The bonds were issued in February, 2000 in the amount of \$6,500,000. The bonds are secured by the property financed and are payable solely from the proceeds of a Loan Agreement between the Center and the County. In December, 2000 the County approved additional revenue bonds for the Center to finance the acquisition of operating equipment for the new hospital, in the amount of \$1,900,000. Both of these bonds are special, limited obligations of the County. They do not constitute or give rise to a general obligation or liability of the County, the State or any other political subdivision. Accordingly, the bonds are not reported as liabilities in the financial statements.

In May of 2000 the County agreed to be a participant in the Utah Interagency Council for purposes of the Council's issuance of revenue bonds for the construction of television signal broadcast facilities in a multi-county area. The total bond issue is \$3,629,000. Juab County's share is approximately \$58,200. The bonds are special limited obligations of the County secured by State mineral lease monies. The County has no legal obligation to make payment on the bonds. They are not reported in the County's financial statements.

In August of 2002 the County approved a resolution for the issuance of industrial revenue bonds in the amount of \$3,100,000 for construction of facilities for Intermountain Farmers Association (IFA). In June of 2005 the County approved another resolution to approve an additional bond issue for IFA in an amount not to exceed \$3,000,000, to complete subsequent phases of the same project. In September of 2006 the

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 4 – LONG-TERM DEBT (CONTINUED)

County approved a resolution authorizing the issuance of \$4,000,000 in industrial revenue bonds for the project. These bonds are special limited obligations secured by the property financed and are payable solely from resources generated by IFA and paid to the trustee, Zions First National Bank. They do not constitute or give rise to a general obligation or liability of the County, the State or any other political subdivision. Accordingly, the bonds are not reported as liabilities in the financial statements.

NOTE 5– EXCESS OF ACTUAL EXPENDITURES OVER BUDGET

The County's expenditures exceeded adopted budgets in the following areas:

<u>General Fund</u>	<u>Excess</u>
Recorder	\$ 5,129
Extension service	445
Exhibits	689
Contributions	100
Jail	23,468
Alcohol enforcement	2,714
Drug law enforcement	33
Transfer to Fire District	5,450

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 6 – CAPITAL ASSETS

A summary of changes in Capital Assets are as follows:

	Balance January 1 2006	Additions	Retirements and Other Adjustments	Balance December 31 2006
Governmental activities				
Capital assets not being depreciated				
Land	\$ 2,262,767	\$ 105,000		\$ 2,367,767
Infrastructure	233,675,626	773,139		234,448,765
Total capital assets not being depreciated	<u>235,938,393</u>	<u>878,139</u>		<u>236,816,532</u>
Other capital assets				
Buildings	2,887,116	588,019		3,475,135
Machinery & Equipment	6,537,545	956,447	\$ 206,000	7,287,992
Construction in progress		115,135		115,135
Less accumulated depreciation	(4,214,412)	(626,794)	(67,261)	(4,773,945)
Total other capital assets, net	<u>5,210,249</u>	<u>1,032,807</u>	<u>138,739</u>	<u>6,104,317</u>
Total Governmental Activities capital assets, net	<u><u>\$ 241,148,642</u></u>	<u><u>\$ 1,910,946</u></u>	<u><u>\$ 138,739</u></u>	<u><u>\$ 242,920,849</u></u>
Business-type activities				
Capital assets not being depreciated				
Land	\$ 279,688			\$ 279,688
Total capital assets not being depreciated	<u>279,688</u>			<u>279,688</u>
Other capital assets				
Buildings	2,712,881			2,712,881
Machinery & Equipment	305,020			305,020
Construction in progress	456,384	\$ 60,378	\$ 516,761	
Less accumulated depreciation	(837,556)	(97,490)		(935,046)
Total other capital assets, net	<u>2,636,729</u>	<u>(37,112)</u>	<u>516,761</u>	<u>2,082,855</u>
Total Business-type activities capital assets, net	<u><u>\$ 2,916,417</u></u>	<u><u>\$ (37,112)</u></u>	<u><u>\$ 516,761</u></u>	<u><u>\$ 2,362,543</u></u>

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 6 – CAPITAL ASSETS (CONTINUED)

	Balance January 1 2006	Additions	Retirements and Other Adjustments	Balance December 31 2006
Component Units				
<u>Special Service District #1</u>				
Capital assets not being depreciated				
Land	\$ 19,762			\$ 19,762
Total capital assets not being depreciated	<u>19,762</u>			<u>19,762</u>
Other capital assets				
Buildings & Improvements	763,782			763,782
Less accumulated depreciation	(265,663)	(11,069)		(276,732)
Total other capital assets, net	<u>498,119</u>	<u>(11,069)</u>		<u>487,050</u>
Total Special Service District #1 capital assets, net	<u>517,881</u>	<u>(11,069)</u>		<u>506,812</u>
 Fire District				
Capital assets not being depreciated				
Land	140,990			140,990
Total capital assets not being depreciated	<u>140,990</u>			<u>140,990</u>
Other capital assets				
Buildings & Equipment	1,776,009	266,546		2,042,555
Less accumulated depreciation	(903,517)	(176,877)		(1,080,394)
Total other capital assets, net	<u>872,492</u>	<u>89,669</u>		<u>962,161</u>
Total Fire District capital assets, net	<u>1,013,482</u>	<u>89,669</u>		<u>1,103,151</u>
 Total component units capital assets, net	<u>\$ 1,531,363</u>	<u>\$ 78,600</u>		<u>\$ 1,609,963</u>

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Governmental activities depreciation expense

General government	\$ 125,136
Buildings and grounds	50,291
Public safety	174,171
Public health	2,340
Roads and public improvements	274,856
Total governmental activities depreciation expense	<u>\$ 626,794</u>

Component units depreciation expense

Juab Special Service Fire District	\$ 176,877
Juab Special Service District #1	11,069
Total component units activities depreciation expense	<u>\$ 187,946</u>

NOTE 7 – DEPOSITS AND INVESTMENTS WITH FINANCIAL INSTITUTIONS

Deposits and investments for Juab County are governed by the Utah Money Management Act (Utah Code Annotated, Title 51, Chapter 7, “the Act”) and by rules of the Utah Money Management Council (“the Council”). Following are discussions of the County’s exposure to various risks related to its cash management activities.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the County’s deposits may not be recovered. The County’s policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the County to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. As of December 31, 2006, \$4,368,333 of the County’s bank balances of which \$4,268,333 was uninsured and uncollateralized. \$150,340 of the combined component units’ bank balances of \$1,725,869 was uninsured and uncollateralized.

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. The County does not have a formal policy for custodial credit risk of investments.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 7 – DEPOSITS AND INVESTMENTS WITH FINANCIAL INSTITUTIONS
(CONTINUED)

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The County's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first-tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard & Poors; bankers acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations as defined in the Act.

The County is authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participants' average daily balances. The fair value of the County's position in the pool is the same as the value of its pool shares.

The County also is invested in a Dreyfus Treasury Cash Management Fund and repurchase agreements through trust accounts managed by Zions Bank, in connection with funds accumulated for meeting bond requirements, as described in Note 4.

Following are the local government's investments at December 31, 2006

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>
PTIF	\$4,459,272	less than 1 year
Dreyfus Treasury Cash Management Fund and repurchase agreements	251,928	less than 1 year

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The County manages its exposure to declines in fair value by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 7 – DEPOSITS AND INVESTMENTS WITH FINANCIAL INSTITUTIONS (CONTINUED)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The local government's policy to limit this risk is to adhere to the rules of the Money Management Council.

NOTE 8 – TOTALS (MEMORANDUM ONLY) COLUMNS

The combining financial statements for proprietary funds include "Totals (Memorandum Only)" columns that aggregate the columnar statements. These total columns are captioned "Memorandum Only" because they do not, and are not intended to, present consolidated financial information. Amounts for the year ended December 31, 2005 are shown for comparison only.

NOTE 9 – PROPERTY TAX CALENDAR

Property taxes attach as a lien on property on January 1. Taxes are levied in June and payable by November 30.

NOTE 10 – DEFICIT FUND BALANCE

As of December 31, 2006 the Landfill Operation Fund had a deficit fund balance of \$48,177.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 11 – EXPENDITURE CLASSIFICATION—FUND FINANCIAL STATEMENTS

The classification of the governmental fund expenditures by character is as follows:

General Fund	<u>Current</u>	<u>Capital Outlay</u>
General government	\$ 1,365,042	\$ 12,109
Courts	225,693	
Buildings and grounds	352,723	67,688
Public safety	2,214,462	467,080
Public health	159,937	
Roads and public improvements	115,365	7,575
	<u>\$ 4,433,222</u>	<u>\$ 554,452</u>
Special Revenue Funds		
Conservation and economic development	\$ 544,752	
Road construction and maintenance	1,805,061	\$ 422,930
	<u>\$ 2,349,813</u>	<u>\$ 422,930</u>

NOTE 12 – INTERFUND ASSETS/LIABILITIES

Individual funds with interfund receivable/payable balances at December 31, 2006 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental Funds		
General Fund	\$ 419,897	
Clerk Trust Fund		\$ 25
Assessing & Collecting Fund		121,232
Proprietary Funds		
Landfill Operating Fund		159,465
Municipal Building Authority		139,175
Totals	<u>\$ 419,897</u>	<u>\$ 419,897</u>

NOTE 13 – ESTABLISHMENT OF JUAB RURAL DEVELOPMENT AGENCY

During 1991 the County entered into an interlocal cooperation agreement with Nephi City, Levan Town, and Mona Town to create the Juab Rural Development Agency. The purpose of the Agency is to provide for the joint and coordinated funding, construction, and operation of a natural gas transmission line and separate municipal delivery systems to service the municipalities of Nephi, Mona, and Levan. Each municipality owns and operates its own natural gas distribution system, as well as owning an undivided interest in the main natural gas transportation lines.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 13 — ESTABLISHMENT OF JUAB RURAL DEVELOPMENT AGENCY (CONTINUED)

The County participated in the cost of financing for the natural gas system through annual renewable appropriations over a period of eight years. The County made final payment under this agreement in 1998. Any surplus revenues generated by the operation of the system will be distributed to the members of the Agency pursuant to the agreement. Surplus revenue distributed to the County during 2006 was \$68,535.

In September of 1996, the County entered into an agreement with the Agency whereby the County agreed to act as agent for the Agency in operating the Agency's landfill. The County will maintain the operating records, financial records and landfill bank accounts for the Agency. County employees will be used in the operation. All operating costs are required to be approved by the Agency. The County is responsible for the daily operation of the landfill in accordance with all local, state, and federal ordinances, statutes, rules, and regulations. Landfill fees to local residential and commercial users are billed and collected by the municipal members of the Agency- Nephi, Levan, Mona, and Rocky Ridge. These monies are then remitted to the County, as an agent, for deposit in a landfill account. The County also collects and deposits gate fees for special services provided such as loads from outside the contract area, construction debris, etc.

The County is paid a negotiated amount per month from the Agency's landfill account, which is maintained by the County, to cover costs of personnel, fuel, maintenance, debt service and administration. The total amount paid by the Agency to the County for these costs in 2006 was \$126,694.

The Agency obtained a 5-year operating permit from the State Department of Environmental Quality, effective for the period July 1, 2000 through July 1, 2005. The permit includes engineering and other studies that identify estimated costs for costs for closure when the landfill is full and post-closure care costs. The total cost, in current dollars, of closure/post-closure is estimated to be \$432,754. The estimated liability of \$213,466 on the JRDA Landfill balance sheet at December 31, 2006 is based on the landfill capacity used to date. These estimates are subject to change due to inflation, deflation, technology changes or changes in applicable laws or regulations. The permit establishes financial assurances for the accumulation of funds necessary for paying closure and post-closure care costs after the landfill stops accepting solid waste. The County, as agent, has established separate investment accounts for the Agency for the accumulation of funds to meet these costs as well as to accumulate County reserve funds for the debt service described in Note 4. A new operating permit is currently being prepared that will include updated estimated costs for closure/post-closure. Any change in these estimated costs will be reflected in the operating statement of the period in which the permit is received.

Due to the intent of the JRDA board to set landfill users fees at sufficient levels to cover all the costs of the landfill, including debt service and closure/post-closure costs, the JRDA landfill is reported in a proprietary fund.

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 14 - ESTABLISHMENT OF MUNICIPAL BUILDING AUTHORITY OF JUAB COUNTY

During 1991, the Municipal Building Authority of Juab County was created as a nonprofit corporation pursuant to the Utah Non-Profit Corporation Act for the purpose of acquiring property, planning and constructing the Juab Public Safety Building complex, obtaining financing for the project, and managing the project after its completion. The Authority will also operate the County's Emergency 911 telephone system. In 2005 the Authority was engaged in the construction of a new emergency services building, which was placed in service in early 2006, at which time ownership of the building was transferred to the County.

The County Commission Chair acts as the President of the Authority, with the other two commissioners acting as Vice Presidents. The County Clerk/Auditor acts as the Secretary/Treasurer.

The Building Authority has entered into an agreement to lease the Public Safety Building to the County for amounts sufficient to provide monies necessary to make the principal and interest payments on the lease revenue bonds discussed in Note 4. During 2005, the total lease payments received from the County was \$128,631. The lease payments to the Building Authority, the debt service payments on the lease revenue bonds, and the depreciation of the facility are accounted for in a proprietary fund. Note 1 describes the component unit nature of the Authority.

In 2004 the Authority began leasing to the State of Utah a newly-constructed addition to the Public Safety Building. Pursuant to the lease the Authority is to receive \$1,851 per month. In 2006, \$22,212 was received.

NOTE 15 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employees and the public, or damage to property of others. The County obtained commercial insurance against losses for the following types of risk:

- Real and personal property damage
- Public employee bond
- Workers compensation
- Vehicle liability

JUAB COUNTY
Notes to Financial Statement
December 31, 2006

NOTE 16 – CREATION OF RECREATION DISTRICT

On December 19, 2005 the County passed a resolution to create the Juab Special Service Recreation District. Upon subsequent receipt of the certificate from the Utah Lieutenant Governor's Office in 2006 the District was formally established. However, in November of 2006 the voters in the County denied the District the authority to impose property taxes. No financial activity occurred in the District in 2006.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB, but are not considered a part of the basic financial statements. Such information includes:

Modified Approach – Asset Management System

Road Network

Bridge Network

Budgetary Comparison Schedule – General Fund

Budgetary Comparison Schedule – Class B Road Fund

JUAB COUNTY
Required Supplementary Information
Modified Approach – Asset Management System

As allowed by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the County has adopted an alternative method for reporting costs associated with certain infrastructure assets. Under this alternative method, referred to as the "modified approach," infrastructure assets are not depreciated, and maintenance and preservation costs are expensed. The County capitalizes costs related to new construction, major replacements, and improvements that increase the capacity and/or efficiency of infrastructure assets reported under the modified approach.

In order to utilize the modified approach, the County is required to:

Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.

Perform and document replicable condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale.

Estimate each year the annual amount to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the County.

Document whether the infrastructure assets are being preserved approximately at, or above the condition level established by the County.

Road and Bridge System

The condition of road pavement is measured using the American Association of State and Highway and Transportation Officials (AASHTO) pavement management system, which is based on stress factors found in pavement surfaces. The AASHTO pavement management system uses a measurement scale that is based on a condition index ranging from zero for a failed pavement to 100 for a pavement in perfect condition. The condition index is used to classify roads in good condition (70-100), fair condition (50-69), and substandard condition (less than 50). It is the County's policy to maintain at least 60 percent of its road system at a good or fair condition level. No more than 15 percent should be in substandard condition. Condition assessments are determined every three years.

This schedule only presents the information for this fiscal year. Accounting principles generally accepted in the United States of America require reporting the last three complete condition assessments and needed-to-actual information for five years. However, the County implemented these new standards in fiscal year 2005, and did not collect the information for the prior years. The County will continue to collect and retain this information to facilitate, over a period of five years, the reporting of the required information.

The condition rating for the Juab County bridges was taken directly from an assessment conducted by UDOT officials using generally recognized standards regarding bridge sufficiency. The County will work closely with UDOT to update these classifications annually as required.

JUAB COUNTY
Required Supplementary Information
Modified Approach – Asset Management System

The condition of the County's bridges is determined using the Structures Inventory System to monitor the condition of the six County owned bridges. A number, ranging from 1 – 100, is calculated based on condition, geometry, functional use, safety, and other factors. Three categories of condition are established, 80 to 100, 50 to 79, and 1 to 49. It's the County's policy to maintain bridges with an average score of 70 or better. A condition assessment was performed in this fiscal year. The County's average score based on the initial condition assessment was 91. Condition assessments are performed every two years.

	Percentage of Lane-Miles in Good or Better Condition	Percentage of Lane-Miles in Substandard Condition
	2006	2006
Paved	60.00%	40.00%
Double Chip	100.00%	0.00%
Gravel	80.00%	20.00%
Native	61.00%	39.00%
B Roads	74.00%	26.00%
D Roads	65.00%	35.00%

	Bridges Sufficiency Rating
	2006
Yuba Spillway	63.50
Sevier River 1	92.00
Dry Wash	92.00
Sevier River 2	99.00
Currant Creek 1	99.50
Chicken Creek	99.90

Comparison of Needed -to-Actual
Road and Bridge
Maintenance and Preservation

	2006
Needed	\$ 1,600,000
Actual	2,073,860
Difference	\$ (473,860)

**JUAB COUNTY
GENERAL FUND**

**Required Supplementary Information
Budgetary Comparison Schedule**

For the Year Ended December 31, 2006

	Budgeted Amounts			Variance- Favorable (Unfavorable)
Revenues	Original	Final	Actual	
Taxes	\$ 2,451,000	\$ 2,250,009	\$ 2,278,536	\$ 28,527
Licenses and permits	9,600	54,600	51,297	(3,303)
Intergovernmental	1,083,625	1,233,625	1,164,256	(69,369)
Charges for services	990,100	1,108,400	1,122,779	14,379
Fines and forfeitures	512,343	747,543	731,520	(16,023)
Miscellaneous	257,000	268,000	249,750	(18,250)
Total revenues	<u>5,303,668</u>	<u>5,662,177</u>	<u>5,598,138</u>	<u>(64,039)</u>
Expenditures				
General government	1,377,136	1,496,786	1,377,151	119,635
Courts	242,204	246,204	225,693	20,511
Buildings and grounds	611,831	611,831	486,087	125,744
Public safety	2,720,021	2,757,880	2,681,542	76,338
Public health	41,995	162,495	159,937	2,558
Roads and public improvements	124,049	126,549	122,940	3,609
Total expenditures	<u>5,117,236</u>	<u>5,401,745</u>	<u>5,053,350</u>	<u>348,395</u>
Excess of revenues over expenditures	186,432	260,432	544,788	284,356
Other financing sources (uses)				
Transfer to other funds	(208,432)	(282,432)	(197,672)	84,760
Transfer from other funds	22,000	22,000	22,000	
Transfer to Fire District			(5,450)	(5,450)
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ -0-</u>	<u>\$ -0-</u>	363,666	<u>\$ 363,666</u>
Fund balance, January 1			<u>1,381,211</u>	
Fund balance, December 31			<u>\$ 1,744,877</u>	

JUAB COUNTY
CLASS "B" ROAD
(A SPECIAL REVENUE FUND)

Required Supplementary Information
Budgetary Comparison Schedule

For the Year Ended December 31, 2006

	2006			Variance- Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Shared revenues	\$ 1,400,000	\$ 1,400,000	\$ 1,587,699	\$ 187,699
Interest	120,000	120,000	169,371	49,371
Other revenues	255,000	255,000	109,991	(145,009)
Total revenues	<u>1,775,000</u>	<u>1,775,000</u>	<u>1,867,061</u>	<u>92,061</u>
Expenditures				
Salaries and wages	508,541	478,541	473,876	4,665
Employee benefits	330,921	315,921	319,239	(3,318)
Materials, supplies, and services	1,227,060	1,506,860	1,011,946	494,914
Capital outlay	512,000	682,000	422,930	259,070
Total expenditures	<u>2,578,522</u>	<u>2,983,322</u>	<u>2,227,991</u>	<u>755,331</u>
Excess (Deficiency) of revenues over expenditures	<u>\$ (803,522)</u>	<u>\$ (1,208,322)</u>	(360,930)	<u>\$ 847,392</u>
Fund balance, January 1			<u>3,425,858</u>	
Fund balance, December 31			<u>\$ 3,064,928</u>	

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not part of the basic financial statements, but are presented for additional analysis.

Such statements and schedules include:

Combining Financial Statements – Non-Major Governmental Funds

Individual Fund Financial Statements and Schedules

General Fund

Special Revenue Funds

Capital Projects Fund

Insurance Reserve Fund

Proprietary Funds

Additional Schedules

Statement of Treasurer's Receipts and Disbursements – Tax Account

Statement of Taxes Charged, Collected, and Disbursed

Additional Auditors' Reports

Report on Internal Control Over Financial Reporting and on Compliance

And Other Matters Based on an Audit of Financial Statements

Performed in Accordance With *Government Auditing Standards*

Schedule of Audit Findings

Utah State Compliance Report based on the Requirements,

Special Tests, and Provisions required by the State of

Utah's Legal Compliance Audit Guide

COMBINING FINANCIAL STATEMENTS NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Convention Bureau Fund – to account for the expenditure of transient room tax monies of the County.

Special Events Fund – to account for the special events conducted in connection with the County Fair.

RS2477 Grant Fund – to account for the expenditure of grant monies received for preserving control of, and access to roads on public lands in the County.

Assessing & Collecting Fund – to account for the revenues and expenses related to the County's functions of assessing, collecting, apportioning and remitting property taxes and other monies on behalf of the entities which impose property taxes within the County.

Insurance Reserve Fund

Insurance Reserve Fund – to account for the funds accumulated to meet potential future claims against the County.

**JUAB COUNTY
NON-MAJOR GOVERNMENTAL FUNDS**

Combining Balance Sheet

December 31, 2006

	Special Revenue Funds				Insurance Reserve Fund	Total Non-Major Governmental Funds
Assets	Convention Bureau Fund	Special Events Fund	RS2477 Grant Fund	Assessing & Collecting Fund		
Cash and cash equivalents	\$ 186,673	\$ 91,716	\$ 36,124		\$ 186,988	\$ 501,501
Taxes Receivable				\$ 144,257		144,257
Total assets	<u>\$ 186,673</u>	<u>\$ 91,716</u>	<u>\$ 36,124</u>	<u>\$ 144,257</u>	<u>\$ 186,988</u>	<u>\$ 645,758</u>
Liabilities and Fund Equity						
Liabilities						
Accounts payable				\$ 23,025		\$ 23,025
Short-term interfund payable				121,232		121,232
Fund Equity						
Reserved	<u>\$ 186,673</u>	<u>\$ 91,716</u>	<u>\$ 36,124</u>		<u>\$ 186,988</u>	<u>501,501</u>
Total liabilities and fund equity	<u>\$ 186,673</u>	<u>\$ 91,716</u>	<u>\$ 36,124</u>	<u>\$ 144,257</u>	<u>\$ 186,988</u>	<u>\$ 645,758</u>

JUAB COUNTY
NON-MAJOR GOVERNMENTAL FUNDS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2006

	Special Revenue Funds			Insurance	Total
	Convention	Special	RS2477	Reserve	Non-Major
	Bureau	Events	Grant	Fund	Governmental
					Funds
Revenues					
Interest	\$ 9,374	\$ 3,957	\$ 1,710	\$ 9,062	\$ 24,103
Property tax				\$ 364,436	364,436
Transient room tax	62,402				62,402
State grant			5,000		5,000
Event proceeds		29,120			29,120
Total revenues	<u>71,776</u>	<u>33,077</u>	<u>6,710</u>	<u>9,062</u>	<u>485,061</u>
Expenditures					
Salaries and wages				275,744	275,744
Employee benefits				174,411	174,411
Materials, supplies, and services	26,644			55,151	81,795
Interest Expense				12,802	12,802
Total expenditures	<u>26,644</u>			<u>518,108</u>	<u>544,752</u>
Excess (Deficiency) of revenues over expenditures	45,132	33,077	6,710	(153,672)	(59,691)
Other Financing Sources and (Uses)					
Transfer from other funds				153,672	153,672
Transfer to other funds	(22,000)				(22,000)
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses	23,132	33,077	6,710	-0-	71,981
Fund balance, January 1	<u>163,541</u>	<u>58,639</u>	<u>29,414</u>	<u>-0-</u>	<u>429,520</u>
Fund balance, December 31	<u>\$ 186,673</u>	<u>\$ 91,716</u>	<u>\$ 36,124</u>	<u>\$ -0-</u>	<u>\$ 501,501</u>

GENERAL FUND

The general fund is the main operating fund of the County. This fund is used to account for all financial resources not accounted for in other funds.

**JUAB COUNTY
GENERAL FUND**

Balance Sheet

December 31, 2006
With Comparative Totals for December 31, 2005

ASSETS

	2006	2005
Cash and cash equivalents	\$ 833,467	\$ 557,604
Accounts receivable	200,249	73,748
Accrued interest receivable	47,852	12,461
Property taxes receivable	513,538	503,736
Short-term interfund receivable	419,898	541,181
Due from other governmental units		95,000
Total assets	<u>\$ 2,015,004</u>	<u>\$ 1,783,730</u>

LIABILITIES AND FUND BALANCE

Liabilities

Accounts payable	\$ 188,921	\$ 355,899
Accrued liabilities	81,181	46,595
Short-term interfund payable	25	25
Total liabilities	<u>270,127</u>	<u>402,519</u>

Fund Balance

Unreserved	1,744,877	1,381,211
Total fund balance	<u>1,744,877</u>	<u>1,381,211</u>
Total liabilities and fund balance	<u>\$ 2,015,004</u>	<u>\$ 1,783,730</u>

**JUAB COUNTY
GENERAL FUND**

Statement of Revenues - Budget and Actual

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

Revenues	2006		Variance- Favorable (Unfavorable)	2005
	Budget	Actual		Actual
Taxes				
Current year general				
property taxes	\$ 1,489,509	\$ 1,552,270	\$ 62,761	\$ 1,315,359
Fee in lieu of property taxes	158,500	144,577	(13,923)	162,885
Redemptions of prior years' taxes, penalties, and interest on delinquent taxes	50,500	50,744	244	50,176
Refund of contested property taxes		(4,197)	(4,197)	(15,765)
Assessing and collecting taxes				329,333
Penalties & interest	17,500	28,642	11,142	16,012
Restaurant tax	75,000	79,479	4,479	80,790
Sales and use taxes	459,000	427,021	(31,979)	1,110,840
	<u>2,250,009</u>	<u>2,278,536</u>	<u>28,527</u>	<u>3,049,630</u>
Licenses and Permits				
Business licenses	1,500	1,425	(75)	1,500
Mass gathering permit		500	500	400
Building permits	52,000	47,862	(4,138)	25,050
Marriage licenses	800	750	(50)	800
Digging permits	200	160	(40)	220
Conditional use permits	100	600	500	110
	<u>54,600</u>	<u>51,297</u>	<u>(3,303)</u>	<u>28,080</u>
Intergovernmental Revenue				
Emergency services grant	1,625	6,500	4,875	6,500
Forest Reserve grant	15,000	16,224	1,224	16,063
Payment in lieu of taxes	685,000	664,000	(21,000)	651,932
EMS grant	20,000		(20,000)	23,821
Library grant	13,000	13,104	104	13,104
Surveying grant	25,000	30,600	5,600	25,000
Weed removal grant	40,000	40,000		40,000
Animal services grant	3,000	3,000		1,000
Mosquito abatement grant	25,000	25,000		15,000
Homeland security grant	250,000	208,977	(41,023)	153,373
Liquor law allotment	5,000	11,309	6,309	12,370
Meth Grant	90,000	138,450	48,450	
Grant - Miscellaneous	61,000	7,092	(53,908)	
	<u>1,233,625</u>	<u>1,164,256</u>	<u>(69,369)</u>	<u>958,163</u>
Charges for Services				
Clerk's fees	10,000	10,820	820	9,054
Recorder's fees	111,000	108,313	(2,687)	98,495
Surveyor fees		(10)	(10)	

**JUAB COUNTY
GENERAL FUND**

Statement of Revenues - Budget and Actual

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005
(Continued)

	2006			2005
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Charges for Services (Continued)				
Assessor's fees	25,000	29,819	4,819	22,584
Sheriff's and jail fees	215,300	240,182	24,882	258,304
Natural gas sales	76,000	68,535	(7,465)	62,246
Ambulance fees	350,500	310,332	(40,168)	329,547
Miscellaneous				271
Class "B" Road administration fee	130,000	130,000		130,000
Landfill administration	19,600	19,632	32	5,312
Weed removal		5,110	5,110	9,026
Building inspection				35
BLM patrol services	50,000	55,000	5,000	70,000
State Inmate Housing	66,000	89,329	23,329	
911 system	55,000	55,717	717	51,126
	<u>1,108,400</u>	<u>1,122,779</u>	<u>14,379</u>	<u>1,046,000</u>
Fines and Forfeitures				
Precinct Court fines	711,343	693,621	(17,722)	489,070
District Court contract	30,500	30,547	47	31,385
District and Circuit Court fines	5,700	7,352	1,652	7,448
	<u>747,543</u>	<u>731,520</u>	<u>(16,023)</u>	<u>527,903</u>
Miscellaneous Revenues				
Interest	25,000	106,174	81,174	40,366
Rents and concessions	21,000	21,535	535	60,687
Miscellaneous	17,000	20,241	3,241	12,582
Contributions from other governmental units	199,000	99,000	(100,000)	95,000
Cloud Seeding	6,000	3,000	(3,000)	
Sale of assets	-0-	(200)	(200)	16,023
	<u>268,000</u>	<u>249,750</u>	<u>(18,250)</u>	<u>224,658</u>
Total revenues	<u>5,662,177</u>	<u>5,598,138</u>	<u>(64,039)</u>	<u>5,834,434</u>
Other Financing Sources				
Transfer from Convention Bureau Fund	22,000	22,000		10,000
Total other financing sources	<u>22,000</u>	<u>22,000</u>		<u>10,000</u>
Total revenues and other financing sources	<u>\$ 5,684,177</u>	<u>\$ 5,620,138</u>	<u>\$ (64,039)</u>	<u>\$ 5,844,434</u>

**JUAB COUNTY
GENERAL FUND**

Statement of Expenditures - Budget and Actual

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	Salaries and Wages	Employee Benefits	Materials, Supplies, and Services	Capital Outlay	2006 Actual	2006 Budget	Variance- Favorable (Unfavorable)	2005 Actual
General Government								
County commissioners	\$ 64,538	\$ 41,876	\$ 5,648		\$ 112,062	\$ 124,547	\$ 12,485	\$ 113,502
Administrative assistant	59,590	28,349	819		88,758	91,791	3,033	86,454
Law library			8,183		8,183	9,000	817	1,679
Data processing	8,342	4,455	66,968	\$ 6,144	85,909	95,777	9,868	317,623
Sanity hearings			446		446	4,000	3,554	
Clerk - auditor	64,992	45,620	7,218		117,830	123,636	5,806	147,113
Recorder	3,607	1,822	6,700		12,129	7,000	(5,129)	159,814
Attorney	181,638	81,079	23,165	5,965	291,847	314,240	22,393	286,532
Treasurer	18,152	11,733	2,763		32,648	37,816	5,168	114,342
Assessor	31,607	16,342	7,591		55,540	58,458	2,918	174,671
Surveyor			13,281		13,281	15,000	1,719	13,650
Elections			24,869		24,869	35,000	10,131	2,463
Recreation			50,000		50,000	50,000	-0-	25,000
Libraries			79,971		79,971	109,000	29,029	38,949
Extension service			30,617		87,180	86,735	(445)	107,177
Exhibits	33,654	22,909	38,604		76,060	75,371	(689)	35,811
Economic Development	20,628	16,828	11,022		96,568	100,835	4,267	
Soil Conservation District	53,795	31,751	2,000		2,000	2,000		2,000
Contributions to private organizations			400		400	600	200	5,300
Contributions to Senior Citizens			1,300		1,300	1,200	(100)	1,200
Miscellaneous			1,356		1,356	4,000	2,644	3,933
Non-departmental			126,106		126,106	134,880	8,774	156,671
Planning and zoning	764	233	11,711		12,708	15,900	3,192	15,633
	541,307	302,997	520,738	12,109	1,377,151	1,496,786	119,635	1,809,517
Courts								
Indigent counsel			82,610		82,610	84,000	1,390	81,225
District and Circuit Courts			5,692		5,692	6,000	308	4,513
East Precinct Court	78,422	39,090	19,879		137,391	156,204	18,813	127,290
	78,422	39,090	108,181		225,693	246,204	20,511	213,028
Buildings and Grounds								
Courthouse and grounds	121,978	67,953	228,468	67,688	486,087	611,831	125,744	378,743
	121,978	67,953	228,468	67,688	486,087	611,831	125,744	378,743

**JUAB COUNTY
GENERAL FUND**

Statement of Expenditures - Budget and Actual

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005
(Continued)

	Salaries	Employee	Materials, Supplies	Capital	2006 Actual	2006 Budget	Variance- Favorable	2005
Public Safety								
Sheriff	432,924	218,655	79,455	213,694	944,728	975,482	30,754	637,608
County jail	365,525	246,823	366,981	32,698	1,012,027	988,559	(23,468)	1,001,246
Search and rescue			6,301		6,301	12,000	5,699	11,392
Alcohol enforcement	12,445	3,916	4,253	7,800	28,414	25,700	(2,714)	14,070
Inspection costs			7,936		7,936	10,500	2,564	6,000
Emergency services	38,951	30,551	2,878		72,380	73,413	1,033	100,848
Ambulance services	58,034	4,566	161,229		223,829	249,700	25,871	259,504
West desert patrol			28,958		28,958	30,000	1,042	16,108
Other protective animal services			8,000		8,000	8,000		4,000
Homeland security			56,742	207,668	264,410	300,000	35,590	31,632
Drug law enforcement	40,308	22,497	16,534	5,220	84,559	84,526	(33)	68,310
	<u>948,187</u>	<u>527,008</u>	<u>739,267</u>	<u>467,080</u>	<u>2,681,542</u>	<u>2,757,880</u>	<u>76,338</u>	<u>2,150,718</u>
Public Health								
Mosquito abatement	17,132	1,347	33,524		52,003	52,495	492	95,622
Six County service contracts			107,934		107,934	110,000	2,066	93,824
	<u>17,132</u>	<u>1,347</u>	<u>141,458</u>		<u>159,937</u>	<u>162,495</u>	<u>2,558</u>	<u>189,446</u>
Roads and Public Improvements								
Cloud Seeding			6,000		6,000	6,000		
Weed control	39,465	21,465	48,435	7,575	116,940	120,549	3,609	115,374
	<u>39,465</u>	<u>21,465</u>	<u>54,435</u>	<u>7,575</u>	<u>122,940</u>	<u>126,549</u>	<u>3,609</u>	<u>115,374</u>
Total expenditures	1,746,491	959,860	1,792,547	554,452	5,053,350	5,401,745	348,395	4,856,826
Other Financing Uses								
Transfer to Capital Projects Fund			44,000		44,000	44,000		658,273
Transfer to A&C Fund			153,672		153,672	238,432	84,760	4,087
Transfer to Fire District			5,450		5,450		(5,450)	12,500
Total expenditures and other financing uses	<u>\$ 1,746,491</u>	<u>\$ 959,860</u>	<u>\$ 1,995,669</u>	<u>\$ 554,452</u>	<u>5,256,472</u>	<u>5,684,177</u>	<u>427,705</u>	<u>5,531,686</u>
Excess of revenues and other financing sources over expenditures and other financing uses					363,666	\$ -	\$ 363,666	312,748
Fund balance, January 1					1,381,211			1,068,463
Fund balance, December 31					<u>\$ 1,744,877</u>			<u>\$ 1,381,211</u>

**JUAB COUNTY
GENERAL FUND**

Analysis of Budget

For the Year Ended December 31, 2006

	Adopted Budget 1/1/2006	Adjusted By Resolution	Final Budget 12/31/2006
Revenues			
Taxes			
Current year general property taxes	\$ 1,687,500	\$ (197,991)	\$ 1,489,509
Fee in lieu of property taxes	168,000	(9,500)	158,500
Redemptions of prior years' taxes, penalties, and interest on delinquent taxes	44,000	6,500	50,500
Refund of contested property taxes			
Assessing and collecting taxes			
State payment for A & C			
Penalties and interest	17,500		17,500
Restaurant tax	75,000		75,000
Sales and use taxes	459,000		459,000
	<u>2,451,000</u>	<u>(200,991)</u>	<u>2,250,009</u>
Licenses and Permits			
Business licenses	1,500		1,500
Building permits	7,000	45,000	52,000
Marriage licenses	800		800
Digging Permits	200		200
Conditional use permits	100		100
	<u>9,600</u>	<u>45,000</u>	<u>54,600</u>
Intergovernmental Revenue			
Emergency service grant	1,625		1,625
Federal payment in lieu of taxes	685,000		685,000
Forest reserve grant	15,000		15,000
EMS grant	20,000		20,000
Library grant	13,000		13,000
Surveying grant	-0-	25,000	25,000
Weed removal grant	40,000		40,000
Animal services grant	4,000	(1,000)	3,000
Mosquito abatement grant	-0-	25,000	25,000
Homeland security grant	300,000	(50,000)	250,000
Drug & alcohol rehab-Liquor law	5,000		5,000
Meth Grant		90,000	90,000
Grant - Miscellaneous		61,000	61,000
	<u>1,083,625</u>	<u>150,000</u>	<u>1,233,625</u>
Charges for Services			
Clerk's fees	10,000		10,000
Recorder's fees	86,000	25,000	111,000
Assessor's fees	25,000		25,000
Sheriff's fees	24,000		24,000
Jail fees	200,000	(8,700)	191,300
Natural gas sales	55,000	21,000	76,000

**JUAB COUNTY
GENERAL FUND**

Analysis of Budget

For the Year Ended December 31, 2006

(Continued)

	Adopted Budget 1/1/2006	Adjusted By Resolution	Final Budget 12/31/2006
Charges for Services			
BLM patrol fees	50,000		50,000
Ambulance fees	350,500		350,500
Administration fees-Class "B" Road	130,000		130,000
Landfill administration	19,600		19,600
State inmate housing	10,000	56,000	66,000
911 system	30,000	25,000	55,000
	<u>990,100</u>	<u>118,300</u>	<u>1,108,400</u>
Fines and Forfeitures			
Precinct Court fines - East Juab	476,343	235,000	711,343
District and Circuit Court fines	5,000	700	5,700
District Court contract	31,000	(500)	30,500
	<u>512,343</u>	<u>235,200</u>	<u>747,543</u>
Miscellaneous Revenues			
Interest	25,000		25,000
Rents and concessions	27,000	(6,000)	21,000
Miscellaneous revenue	6,000	11,000	17,000
Contributions from other governmental units	199,000		199,000
Cloud seeding		6,000	6,000
Transfer from Convention Bureau Fund	22,000		22,000
	<u>279,000</u>	<u>11,000</u>	<u>290,000</u>
 Total revenues	 <u>\$ 5,325,668</u>	 <u>\$ 358,509</u>	 <u>\$ 5,684,177</u>

**JUAB COUNTY
GENERAL FUND**

Analysis of Budget

For the Year Ended December 31, 2006

(Continued)

Expenditures	Adopted Budget 1/1/2006	Adjusted By Resolution	Final Budget 12/31/2006
General Government			
County Commissioners	\$ 124,547		\$ 124,547
Contingency	58,000	(58,000)	
Administrative Assistant	91,791		91,791
Law library	9,000		9,000
Data processing	82,777	13,000	95,777
Sanity hearings	4,000		4,000
Clerk - Auditor	123,636		123,636
Recorder	7,000		7,000
Attorney	300,240	14,000	314,240
Treasurer	37,816		37,816
Assessor	52,458	6,000	58,458
Surveyor	30,000	(15,000)	15,000
Elections	35,000		35,000
Libraries	39,000	70,000	109,000
Extension service	86,585	150	86,735
Exhibits	75,371		75,371
Recreation	50,000		50,000
Economic Development	100,835		100,835
Contributions to Juab Soil Conservation Dist.	2,000		2,000
Contributions to private organizations	600		600
Contributions to Senior Citizens	1,200		1,200
Miscellaneous	4,000		4,000
Non-departmental	45,380	89,500	134,880
Planning and zoning	15,900		15,900
	<u>1,377,136</u>	<u>119,650</u>	<u>1,496,786</u>
Courts			
Indigent counsel	80,000	4,000	84,000
District and Circuit Courts	6,000		6,000
East Precinct Court	156,204		156,204
	<u>242,204</u>	<u>4,000</u>	<u>246,204</u>
Buildings and Grounds			
Courthouse and grounds	611,831		611,831
	<u>611,831</u>		<u>611,831</u>

**JUAB COUNTY
GENERAL FUND**

Analysis of Budget

For the Year Ended December 31, 2006

(Continued)

	Adopted Budget 1/1/2006	Adjusted By Resolution	Final Budget 12/31/2006
Public Safety			
Sheriff	723,482	252,000	975,482
County jail	1,167,200	(178,641)	988,559
Search and rescue	12,000		12,000
Alcohol enforcement	25,700		25,700
Inspection costs	8,000	2,500	10,500
Emergency services	72,413	1,000	73,413
Ambulance services	288,700	(39,000)	249,700
West desert patrol	30,000		30,000
Other protective animal services	8,000		8,000
Homeland security	300,000		300,000
Drug law enforcement	84,526		84,526
	<u>2,720,021</u>	<u>37,859</u>	<u>2,757,880</u>
Public Health			
Mosquito abatement	41,995	10,500	52,495
Six County service contracts		110,000	110,000
	<u>41,995</u>	<u>120,500</u>	<u>162,495</u>
Roads and Public Improvements			
Cloud seeding	6,000		6,000
Weed control	118,049	2,500	120,549
	<u>124,049</u>	<u>2,500</u>	<u>126,549</u>
 Total expenditures	 5,117,236	 284,509	 5,401,745
Other Financing Uses			
Transfer to Capital Projects Fund		44,000	44,000
Transfer to A&C Fund	208,432	30,000	238,432
Total expenditures and other financing uses	<u>\$ 5,325,668</u>	<u>\$ 358,509</u>	<u>\$ 5,684,177</u>

SPECIAL REVENUE FUNDS

The special revenue funds are used to account for the proceeds of specific revenue sources that are set aside for expenditure for specified purposes.

**JUAB COUNTY
SPECIAL REVENUE FUNDS**

Combining Balance Sheet

December 31, 2006
With Comparative Totals for December 31, 2005

	Class "B" Road Fund	Convention Bureau Fund	Special Events Fund	RS2477 Grant Fund	Assessing & Collecting Fund	Totals (Memorandum Only)	
						2006	2005
ASSETS							
Cash and cash equivalents	\$ 84,561	\$ 186,673	\$ 91,716	\$ 36,124		\$ 399,074	\$ 347,199
State Treasurer's Investment Pool	2,712,471					2,712,471	3,583,516
Taxes Receivable					\$ 144,257	144,257	
Accounts receivable	337,689					337,689	
Total assets	<u>\$ 3,134,721</u>	<u>\$ 186,673</u>	<u>\$ 91,716</u>	<u>\$ 36,124</u>	<u>\$ 144,257</u>	<u>\$ 3,593,491</u>	<u>\$ 3,930,715</u>
LIABILITIES AND FUND EQUITY							
Liabilities							
Accounts payable	\$ 69,793				\$ 23,025	\$ 92,818	\$ 90,913
Short-term interfund payable					121,232	121,232	162,350
Total liabilities	69,793				144,257	214,050	253,263
Fund Equity							
Reserved	3,064,928	\$ 186,673	\$ 91,716	\$ 36,124		3,379,441	3,677,452
Total liabilities and fund equity	<u>\$ 3,134,721</u>	<u>\$ 186,673</u>	<u>\$ 91,716</u>	<u>\$ 36,124</u>	<u>\$ 144,257</u>	<u>\$ 3,593,491</u>	<u>\$ 3,930,715</u>

**JUAB COUNTY
SPECIAL REVENUE FUNDS**

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	Class "B" Road	Convention Bureau	Special Events	RS2477 Grant	Assessing & Collecting	Totals (Memorandum Only)	
						2006	2005
Revenues							
Shared revenues	\$ 1,587,699					\$ 1,587,699	\$ 1,534,624
Property taxes					\$ 364,436	\$ 364,436	-
Interest	169,371	\$ 9,374	\$ 3,957	\$ 1,710		184,412	133,359
Transient room tax		62,402				62,402	65,310
Other revenue	109,991		29,120	\$ 5,000		144,111	27,961
Federal funding:							
Block Grant							35,866
Total revenues	<u>1,867,061</u>	<u>71,776</u>	<u>33,077</u>	<u>6,710</u>	<u>364,436</u>	<u>2,343,060</u>	<u>1,797,120</u>
Expenditures							
Salaries and wages	473,876				275,744	749,620	486,892
Employee benefits	319,239				174,411	493,650	279,116
Materials, supplies, and services	1,011,946	26,644			55,151	1,093,741	954,441
Interest expense					12,802	12,802	
Capital outlay	<u>422,930</u>					<u>422,930</u>	<u>476,442</u>
Total expenditures	<u>2,227,991</u>	<u>26,644</u>			<u>518,108</u>	<u>2,772,743</u>	<u>2,196,891</u>
Excess (Deficiency) of revenues over expenditures	(360,930)	45,132	33,077	6,710	(153,672)	(429,683)	(399,771)
Other Financing Sources and (Uses)							
Transfer from other funds					153,672	153,672	16,087
Transfer to other funds		(22,000)				(22,000)	(22,000)
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses	(360,930)	23,132	33,077	6,710		(298,011)	(405,684)
Fund balance, January 1	<u>3,425,858</u>	<u>163,541</u>	<u>58,639</u>	<u>29,414</u>	<u>-0-</u>	<u>3,677,452</u>	<u>4,083,136</u>
Fund balance, December 31	<u>\$ 3,064,928</u>	<u>\$ 186,673</u>	<u>\$ 91,716</u>	<u>\$ 36,124</u>	<u>\$ -0-</u>	<u>\$ 3,379,441</u>	<u>\$ 3,677,452</u>

JUAB COUNTY
CLASS "B" ROAD
(A SPECIAL REVENUE FUND)

**Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual**

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006			2005
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Revenues				
Shared revenues	\$ 1,400,000	\$ 1,587,699	\$ 187,699	\$ 1,534,624
Interest	120,000	169,371	49,371	128,338
Other revenues	255,000	109,991	(145,009)	4,750
Total revenues	<u>1,775,000</u>	<u>1,867,061</u>	<u>92,061</u>	<u>1,667,712</u>
Expenditures				
Salaries and wages	478,541	473,876	4,665	435,313
Employee benefits	315,921	319,239	(3,318)	250,640
Materials, supplies, and services	1,506,860	1,011,946	494,914	911,465
Capital outlay	682,000	422,930	259,070	476,442
Total expenditures	<u>2,983,322</u>	<u>2,227,991</u>	<u>755,331</u>	<u>2,073,860</u>
Excess (Deficiency) of revenues over expenditures	<u>\$ (1,208,322)</u>	(360,930)	<u>\$ 847,392</u>	(406,148)
Fund balance, January 1		<u>3,425,858</u>		<u>3,832,006</u>
Fund balance, December 31		<u>\$ 3,064,928</u>		<u>\$ 3,425,858</u>

**JUAB COUNTY
CONVENTION BUREAU
(A SPECIAL REVENUE FUND)**

**Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual**

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006			2005
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Revenues				
Transient room tax	\$ 48,000	\$ 62,402	\$ 14,402	\$ 65,310
Interest		9,374	9,374	3,343
Total revenues	48,000	71,776	23,776	68,653
Expenditures				
Materials, supplies, and services	32,500	26,644	5,856	32,303
Excess of revenues over expenditures	15,500	45,132	29,632	36,350
Other Financing Uses				
Transfer to Community Development Fund				(12,000)
Transfer to General Fund	(22,000)	(22,000)		(10,000)
Total other financing uses	(22,000)	(22,000)		(22,000)
Excess (Deficiency) of revenues over expenditures and other financing uses	<u>\$ (6,500)</u>	23,132	<u>\$ 29,632</u>	14,350
Fund balance, January 1		163,541		149,191
Fund balance, December 31		<u>\$ 186,673</u>		<u>\$ 163,541</u>

JUAB COUNTY
SPECIAL EVENTS FUND
(A SPECIAL REVENUE FUND)

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	<u>2006</u>			<u>2005</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>	<u>Actual</u>
Revenues				
Proceeds from special event	\$ 20,000	\$ 29,120	\$ 9,120	\$ 23,211
Interest		3,957	3,957	956
Total revenues	<u>20,000</u>	<u>33,077</u>	<u>13,077</u>	<u>24,167</u>
Expenditures				
Materials, supplies & services				
Total expenditures				
Excess of revenues over expenditures	<u>\$ 20,000</u>	<u>33,077</u>	<u>\$ 13,077</u>	<u>24,167</u>
Fund balance, January 1		<u>58,639</u>		<u>34,472</u>
Fund balance, December 31		<u>\$ 91,716</u>		<u>\$ 58,639</u>

JUAB COUNTY
RS2477 GRANT FUND
(A SPECIAL REVENUE FUND)

**Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual**

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006		Variance- Favorable (Unfavorable)	2005
	Budget	Actual		Actual
Revenues				
Proceeds from grant		\$ 5,000	\$ 5,000	
Interest	\$ 1,500	1,710	210	\$ 534
Total revenues	1,500	6,710	5,210	534
Expenditures				
Materials, supplies & services	1,500		1,500	
Total expenditures	1,500		1,500	
Excess of revenues over expenditures	\$ -0-	6,710	\$ 6,710	534
Fund balance, January 1		29,414		28,880
Fund balance, December 31		\$ 36,124		\$ 29,414

JUAB COUNTY
ASSESSING & COLLECTING FUND
(A SPECIAL REVENUE FUND)

**Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual**

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006			2005
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Revenues				
Property taxes - current year	\$ 250,000	\$ 273,125	\$ 23,125	
Delinquent property taxes		8,955	8,955	
State payment for A&C	80,000	56,436	(23,564)	
Fee-in-lieu A&C		25,438	25,438	
Penalties and interest A&C		482	482	
Total revenues	330,000	364,436	34,436	
Expenditures				
Salaries & wages	281,147	275,744	(5,403)	
Employee benefits	183,383	174,411	(8,972)	
Materials, supplies & services	73,902	55,151	(18,751)	
Interest expense	12,000	12,802	802	
Total expenditures	550,432	518,108	(32,324)	
Excess (Deficiency) of revenues over expenditures	(220,432)	(153,672)	66,760	
Other Financing Uses				
Transfer from General Fund	220,432	153,672	(66,760)	
Excess (Deficiency) of revenues over expenditures and other financing uses	\$ -0-		\$ -0-	
Fund balance, January 1		-0-		
Fund balance, December 31		\$ -0-		

CAPITAL PROJECTS FUND

The capital projects fund is used to account for the financial resources to be used for the acquisition or construction of capital assets.

**JUAB COUNTY
CAPITAL PROJECTS FUND**

Balance Sheet

December 31, 2006
With Comparative Totals for December 31, 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash and cash equivalents	<u>\$ 981,028</u>	<u>\$ 900,564</u>
Total assets	<u><u>\$ 981,028</u></u>	<u><u>\$ 900,564</u></u>
LIABILITIES AND FUND EQUITY		
Fund Equity		
Reserved	<u>\$ 981,028</u>	<u>\$ 900,564</u>
Total liabilities and fund equity	<u><u>\$ 981,028</u></u>	<u><u>\$ 900,564</u></u>

**JUAB COUNTY
CAPITAL PROJECTS FUND**

**Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual**

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006			2005
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues				
Interest	\$ 7,500	\$ 36,464	\$ 28,964	\$ 2,291
Expenditures				
Other financing sources				
Transfer from General Fund		44,000	44,000	\$ 658,273
Excess of revenues and other financing sources over expenditures	-	80,464	<u>\$ 80,464</u>	660,564
Fund balance, January 1		900,564		240,000
Fund balance, December 31	<u>\$ -</u>	<u>\$ 981,028</u>		<u>\$ 900,564</u>

INSURANCE RESERVE FUND

The insurance reserve fund is used to accumulate funds that will insure against comprehensive and collision losses on County vehicles, as well as other liability claims against the County.

**JUAB COUNTY
INSURANCE RESERVE FUND**

Balance Sheet

December 31 2006
With Comparative Totals for December 31, 2005

	<u>2006</u>	<u>2005</u>
Assets		
Cash and cash equivalents	\$ 186,988	\$ 177,926
Total assets	<u>\$ 186,988</u>	<u>\$ 177,926</u>
Fund Equity		
Reserved	\$ 186,988	\$ 177,926
Total fund equity	<u>\$ 186,988</u>	<u>\$ 177,926</u>

**JUAB COUNTY
INSURANCE RESERVE FUND**

**Statement of Revenue, Expenses and
Changes in Fund Balance - Budget and Actual**

December 31 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006			2005
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
Revenues				
Interest	\$ 5,500	\$ 9,062	\$ 3,562	\$ 5,777
Expenditures				
Property Tax Refunds	20,000			
Excess of revenues over expenditures	<u>\$ (14,500)</u>	9,062	<u>\$ 3,562</u>	5,777
Fund balance, January 1		<u>177,926</u>		<u>172,149</u>
Fund balance, December 31		<u>\$ 186,988</u>		<u>\$ 177,926</u>

PROPRIETARY FUNDS

The proprietary funds are used to account for the business like activities of the County.

JUAB COUNTY
PROPRIETARY FUNDS
Combining Statement of Net Assets
December 31, 2006
With Comparative Totals for December 31, 2005

	Municipal Building Authority	Landfill Operation Fund	JRDA Landfill Fund	Totals (Memorandum Only)	
				2006	2005
ASSETS					
Current Assets					
Cash and cash equivalents			\$ 503,951	\$ 503,951	\$ 343,653
Due from other governmental units			37,969	37,969	38,010
Total current assets			<u>541,920</u>	<u>541,920</u>	<u>381,663</u>
Noncurrent assets					
Restricted cash and cash equivalents	\$ 251,928	\$ 192,697	201,590	646,215	575,138
Property and equipment, at cost					
Equipment	21,134	283,886		305,020	305,020
Buildings	2,712,881			2,712,881	2,712,881
Construction in progress					456,384
Land	61,487		218,201	279,688	279,688
Accumulated depreciation	(698,845)	(236,201)		(935,045)	(837,555)
Net property and equipment	<u>2,096,657</u>	<u>47,685</u>	<u>218,201</u>	<u>2,362,544</u>	<u>2,916,418</u>
Total assets	<u>\$ 2,348,586</u>	<u>\$ 240,382</u>	<u>\$ 961,711</u>	<u>\$ 3,550,678</u>	<u>\$ 3,873,219</u>
LIABILITIES					
Current Liabilities					
Accounts payable	\$ -0-	\$ 3,731	\$ 20	\$ 3,751	\$ 2,559
Accrued interest	26,580	1,815		28,395	30,365
Short-term interfund payables	139,175	159,465		298,641	378,806
Accrued liabilities		2,546		2,546	1,469
Current portion long-term debt	117,663			117,663	140,334
Total current liabilities	<u>283,418</u>	<u>167,558</u>	<u>20</u>	<u>450,996</u>	<u>553,533</u>
Noncurrent liabilities					
Estimated liability-closure/postclosure			213,466	213,466	203,301
Bonds payable	1,405,750	121,000		1,526,750	1,644,500
Deferred interest payable	74,992			74,992	79,653
Construction loan	220,617			220,617	233,929
Less current portion	(117,663)			(117,663)	(140,334)
Total noncurrent liabilities	<u>1,583,696</u>	<u>121,000</u>	<u>213,466</u>	<u>1,918,162</u>	<u>2,021,049</u>
Total liabilities	<u>\$ 1,867,114</u>	<u>\$ 288,558</u>	<u>\$ 213,486</u>	<u>\$ 2,369,157</u>	<u>\$ 2,574,582</u>
NET ASSETS					
Invested in capital assets, net of related debt	\$ 368,719	\$ (75,130)	\$ 218,201	\$ 511,791	\$ 927,971
Restricted for					
Debt service	251,928	192,697		444,625	383,318
Landfill closure			201,590	201,590	191,820
Unrestricted	(139,176)	(165,743)	328,434	23,515	(204,472)
Total net assets (deficit)	<u>\$ 481,472</u>	<u>\$ (48,176)</u>	<u>\$ 748,225</u>	<u>\$ 1,181,521</u>	<u>\$ 1,298,637</u>

JUAB COUNTY
PROPRIETARY FUNDS
Combining Statement of Revenues, Expenses, and Changes in Net Assets
For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	Municipal Building Authority	Landfill Operation Fund	JRDA Landfill Fund	Totals (Memorandum Only)	
				2006	2005
Operating Revenues					
Landfill fees			\$ 266,872	\$ 266,872	\$ 284,546
Lease revenues	\$ 150,843			150,843	151,212
Landfill contract earnings		\$ 126,694		126,694	126,324
Total operating revenues	150,843	126,694	266,872	544,409	562,082
Operating Expenses					
Salaries and wages		40,684		40,684	54,141
Employee benefits		24,664		24,664	26,383
Materials, supplies, and services	1,317	36,697	800	38,814	50,696
Management		19,632		19,632	10,127
Utilities	264			264	950
Contract payment to Juab County			126,694	126,694	126,324
Closure/postclosure costs			10,164	10,164	9,680
Depreciation expense	69,101	28,389		97,490	98,899
Total operating expenses	70,682	150,066	137,658	358,406	377,200
Net operating income (loss)	80,161	(23,372)	129,214	186,003	184,882
Nonoperating Revenues (Expenses)					
Transfer to General Fund	(516,761)				
Interest income	5,751	7,985	30,628	44,364	19,748
Interest expense	(45,524)	(10,199)		(55,723)	(44,914)
Total nonoperating revenues (expenses)	(556,534)	(2,214)	30,628	(11,359)	(25,166)
Net income before capital contributions	(476,373)	(25,586)	159,842	174,644	159,716
Capital Contributions					
Transfer-JSSD #2	225,000			225,000	300,000
Net income (loss)	(251,373)	(25,586)	159,842	399,644	459,716
Net assets (deficit) at beginning of the year	732,845	(22,591)	588,383	1,298,637	838,921
Net assets (deficit) at end of the year	\$ 481,472	\$ (48,177)	\$ 748,225	\$ 1,698,281	\$ 1,298,637

JUAB COUNTY
PROPRIETARY FUNDS
Combining Statement of Cash Flows
For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	Municipal Building Authority	Landfill Operation Fund	JRDA Landfill Fund	Totals (Memorandum Only)	
				2006	2005
Cash flows from operating activities					
Cash received from					
Customers			\$ 266,914	\$ 266,914	\$ 285,976
Service income - JRDA Fund		\$ 126,694		126,694	126,324
Lease income from General Fund	\$ 150,843			150,843	151,212
Cash paid to/for					
Employees		(64,271)		(64,271)	(79,431)
Suppliers	(2,327)	(54,411)	(780)	(57,517)	(61,065)
Contract payment to Juab County			(126,694)	(126,694)	(126,324)
Net cash provided (used) by operating activities	148,516	8,012	139,441	295,969	296,692
Cash Flows From Investing Activities					
Payment for construction in progress	(60,378)			(60,378)	(456,384)
Interest on cash and cash equivalents	5,751	7,985	30,628	44,364	19,748
Net cash provided (used) by investing activities	(54,627)	7,985	30,628	(16,013)	(436,636)
Cash Flows From Non-capital Financing Activities					
Interfund borrowing	(159,306)	90,838		(68,468)	336,054
Net cash provided by non-capital financing activities	(159,306)	90,838		(68,468)	336,054
Cash Flows From Capital and Related Financing Activities					
Contributions	225,000			225,000	300,000
Payment on bonds and notes	(109,062)	(22,000)		(131,062)	(115,750)
Interest paid on bonds	(45,524)	(10,199)		(55,723)	(46,835)
Loan for construction					(11,564)
Payment of deferred interest on bonds	(6,301)	(330)		(6,631)	(4,526)
Net cash provided (used) by capital and related financing activities	64,113	(32,529)		31,584	121,325
Net increase in cash and cash equivalents	(1,303)	74,307	170,069	243,072	317,435
Cash and cash equivalents at beginning of year	253,231	130,087	535,472	918,790	601,355
Cash and cash equivalents at end of year	\$ 251,928	\$ 204,394	\$ 705,541	\$ 1,161,862	\$ 918,790
Reconciliation to operating income					
Operating income (loss)	\$ 80,161	\$ (23,372)	\$ 129,214	\$ 186,003	\$ 184,882
Adjustments to reconcile operating income(loss) to net cash provided by operating activities					
Depreciation	69,101	28,389		97,490	98,899
Increase in liability for closure			10,164	10,164	9,680
Changes in current assets and liabilities					
(Increase) decrease in					
Accounts receivable			42	42	1,663
Due from other governmental units					(233)
Increase (decrease) in					
Accounts payable	(746)	1,918	20	1,193	2,559
Accrued liabilities		1,077		1,077	(758)
Net cash provided by operating activities	\$ 148,516	\$ 8,012	\$ 139,441	\$ 295,969	\$ 296,692

JUAB COUNTY
MUNICIPAL BUILDING AUTHORITY
(AN ENTERPRISE FUND)

**Statement of Revenues, Expenses and
Changes in Net Assets - Budget and Actual**

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006			2005
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
Operating Revenues				
Lease revenue-Jail	\$ 128,631	\$ 128,631		\$ 129,000
Lease revenue-UHP	22,212	22,212		\$ 22,212
Total operating revenues	150,843	150,843		151,212
Operating Expenses				
Utilities - UHP	1,200	264	936	950
Materials, supplies, and services	2,000	1,317	683	1,317
Depreciation expense-Jail	70,393	69,101	1,292	70,510
Total operating expenses	73,593	70,682	2,911	72,777
Operating income	77,250	80,161	2,911	78,435
Nonoperating Revenues (Expenses)				
Interest income		5,751	5,751	2,281
Interest expense	2,000	(35,271)	(37,271)	(38,657)
Interest Expense-UHP loan		(10,253)	(10,253)	
Transfer to General Fund		(516,761)		
Total nonoperating revenues (expenses)	2,000	(556,534)	(41,773)	(36,376)
Net income before capital contr.	79,250	(476,373)	(38,862)	42,059
Capital Contributions				
Transfer-JSSD#2		225,000	225,000	300,000
Net Income (Loss)	\$ 79,250	(251,373)	\$ 186,138	342,059
Net assets at beginning of year		732,845		390,786
Net assets at end of year		\$ 481,472		\$ 732,845

JUAB COUNTY
LANDFILL OPERATION FUND
(AN ENTERPRISE FUND)

Statement of Revenues, Expenses and
Changes in Net Assets - Budget and Actual

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006			2005
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
Operating Revenues				
Landfill contract earnings	\$ 146,954	\$ 126,694	\$ (20,260)	\$ 126,324
Total operating revenues	146,954	126,694	(20,260)	126,324
Operating Expenses				
Salaries and wages	47,482	40,684	6,798	54,141
Employee benefits	35,395	24,664	10,731	26,383
Materials, supplies, and services	55,845	36,697	19,148	48,579
Depreciation expense	28,500	28,389	111	28,389
Management & Bookkeeping	34,632	19,632	15,000	10,127
Total operating expenses	201,854	150,066	51,788	167,619
Operating income	(54,900)	(23,372)	31,528	(41,295)
Nonoperating Revenues (Expenses)				
Transfer from JRDA Landfill Fund				130,087
Interest Income		7,985	7,985	
Interest expense		(10,199)	(10,199)	(6,257)
Total nonoperating revenues(expenses)		(2,214)	(2,214)	123,830
Net income (loss)	\$ (54,900)	(25,586)	\$ 29,314	82,535
Net assets (deficit) at beginning of year		(22,591)		(105,126)
Net assets (deficit) at end of year		\$ (48,177)		\$ (22,591)

**JUAB COUNTY
JRDA LANDFILL FUND
(AN ENTERPRISE FUND)**

**Statement of Revenues, Expenses and
Changes in Net Assets - Budget and Actual**

For the Year Ended December 31, 2006
With Comparative Totals for the Year Ended December 31, 2005

	2006			2005
	Budget	Actual	Variance - Favorable (Unfavorable)	Actual
Operating Revenues				
Landfill fees	\$ 290,000	\$ 266,872	\$ (23,128)	\$ 284,546
Total operating revenues	290,000	266,872	(23,128)	284,546
Operating Expenses				
Materials, supplies, and services	5,000	800	4,200	800
Contract payment to Juab County	146,954	126,694	20,260	126,324
Closure/postclosure costs	10,000	10,164	(164)	9,680
Total operating expenses	161,954	137,658	24,296	136,804
Operating income	128,046	129,214	1,168	147,742
Nonoperating Revenues (Expenses)				
Interest income		30,628	30,628	17,467
Transfer to Landfill Operation Fund				(130,087)
Total nonoperating revenues (expenses)		30,628	30,628	(112,620)
Net income	\$ 128,046	159,842	\$ 31,796	35,122
Net assets at beginning of year		588,383		553,261
Net assets at end of year		\$ 748,225		\$ 588,383

ADDITIONAL SCHEDULES

These schedules are included to provide additional information for analysis.

JUAB COUNTY

Statement of Treasurer's Receipts and Disbursements - Tax Account

For the Year Ended December 31, 2006

	Treasurer's Balance Jan 1, 2006	Tax Collection Receipts	Current Taxes and Fee-In-Lieu Appportioned	Delinquent Taxes, Interest and Other Apportioned	Total	Disbursements	Treasurer's Balance Dec 31, 2006
Treasurer's Collection Accounts							
Current year taxes		\$ 7,745,463	\$ (7,745,463)				
Fee-in-lieu assessments		784,640	(784,640)				
Redemptions, penalties and interest		316,712		\$ (316,712)			
Fish Springs		1,455		(1,455)			
Forest reserve & wildlife		32,126		(32,126)			
Interest due General Fund	\$ 10,335	47,602			\$ 57,937	\$ (12,460)	\$ 45,477
Redeposits/returned checks		1,491			1,491	(1,491)	
Over (short) and other	1,027	25,298			26,325	(25,298)	1,027
Total	11,362	8,954,787	(8,530,103)	(350,293)	85,753	(39,249)	46,504
Taxing Units							
County Funds							
General Fund	423,621		1,696,847	96,176	2,216,644	(1,703,107)	513,537
Assessing and collecting	80,116		298,563	9,436	388,115	(300,294)	87,821
School Districts:							
Juab School District	1,187,422		4,921,447	121,795	6,230,664	(4,810,671)	1,419,993
Tintic School District	64,033		245,885	69,374	379,292	(268,502)	110,790
Cities and Towns							
Nephi City	87,503		316,744	10,193	414,440	(326,884)	87,556
Levan Town	7,471		28,751	1,116	37,338	(30,110)	7,228
Mona Town	12,252		54,314	2,593	69,159	(54,631)	14,528
Eureka City	11,455		52,742	10,847	75,044	(53,659)	21,385
Rocky Ridge Town	4,763		20,194	58	25,015	(19,677)	5,338
Santaquin City			260	259	519	(259)	260
Other Districts							
Central Utah Water Conservancy District	67,122		240,718	8,363	316,203	(245,186)	71,017
East Juab County Water Conservancy District							
Juab Special Service Fire District	24,622		109,559	2,575	136,756	(105,541)	31,215
	135,541		544,079	17,508	697,128	(536,680)	160,448
	2,105,921		8,530,103	350,293	10,986,317	(8,455,201)	2,531,116
Total	\$ 2,117,283	\$ 8,954,787	\$ -0-	\$ -0-	\$ 11,072,070	\$ (8,494,450)	\$ 2,577,620

JUAB COUNTY

Statement of Taxes Charged, Collected, and Disbursed - Current and Prior Years

For the Year Ended December 31, 2006

CURRENT YEAR TAXES										OTHER COLLECTIONS									
11	12	13	14	15	16	17	18	19	20	21	22	23	24						
Prior Year Personal Property Tax Rate	2006 Real & Central Assessed Property Taxes Charged	Personal Property Taxes Charged	Total Taxes Charged	Unpaid Taxes	TREASURER'S RELIEF			Total Treasurer's Relief	Net Taxes Collected	Collected Rate	Fee in Lieu	Misc Collected	DELINQUENCIES						
					Abatements	Other	Tax						Interest/ Penalties						
County Funds																			
General Fund	0.002491 \$	1,547,470 \$	57,065 \$	1,604,535 \$	36,677 \$	4,970 \$	10,618 \$	52,265 \$	1,552,270	97%	144,576 \$	16,791 \$	50,744 \$	28,642					
Assessing and Collecting-County	0.000300	186,069	6,873	192,941	4,410	598	1,288	6,296	186,645	97%	17,384		5,290	264					
Assessing and Collecting-State	0.000173	86,212	3,963	90,175	2,043	277	1,376	3,696	86,479	96%	8,054		3,664	218					
School Districts																			
Juab School District	0.007316	4,488,615	161,193	4,649,807	92,857	14,302	23,074	130,232	4,519,575	97%	401,872	14,848	102,938	4,008					
Tintic School District	0.008989	223,761	7,871	231,632	21,049	852	5,107	27,008	204,624	88%	41,260	1,942	61,137	6,295					
Cities and Towns																			
Nephi City	0.001670	257,698	16,994	274,692	8,679	2,492	3,467	14,638	260,054	95%	56,690		9,769	424					
Levan Town	0.001192	22,250	247	22,497	869	160	308	1,337	21,160	94%	7,592		1,050	65					
Mona Town	0.001234	44,699	283	44,982	2,731	327	(129)	2,928	42,054	93%	12,260		2,498	96					
Santaquin	0.001791	260	-	260	-	-	-	-	260	100%	-		246	112					
Eureka City	0.003000	42,134	2,231	44,365	3,414	310	1,070	4,794	39,571	89%	13,171		9,578	1,170					
Rocky Ridge Town	0.002717	15,117	2,399	17,516	3	219	219	222	17,294	99%	2,901		58						
Other Districts																			
Central Utah Water Conservancy District	0.000400	219,363	9,145	228,508	5,188	711	2,451	8,350	220,158	96%	20,561		7,918	445					
East Juab County Water Conservancy District	0.000260	97,796	3,374	101,170	2,290	453	830	3,573	97,597	96%	11,962		2,474	101					
Juab Special Service Fire District	0.000800	496,183	18,327	514,510	11,760	1,594	3,434	16,788	497,722	97%	46,357		16,530	978					
	\$	7,727,626	\$ 289,965	\$ 8,017,591	\$ 191,970	\$ 27,046	\$ 53,113	\$ 272,127	\$ 7,745,464		\$ 784,640	\$ 33,581	\$ 273,894	\$ 42,818					

ADDITIONAL AUDITORS' REPORTS

These additional reports are required by *Government Auditing Standards* and the Utah State Auditor's Office, respectively.



HAWKINS CLOWARD & SIMISTER

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Board of Commissioners
Juab County
Nephi, Utah

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Juab County, Utah, as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents and have issued our report thereon dated May 24, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Juab County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Juab County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we noted certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will

not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying schedule of audit findings and responses, with reference numbers 2006-1 through 2006-8 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily identify all significant deficiencies that are also considered to be material weaknesses. However, we believe none of the significant deficiencies referred to above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of audit findings and responses as items 2006-9 through 2006-11.

Juab County's response to the findings identified in our audit are described in the accompanying schedule of audit findings and responses. We did not audit the response and, accordingly, we express no opinion on it.

This report is intended for the information and use of management, federal awarding agencies, pass-through entities and the Utah State Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties.

Hawkins Cloward & Simister, LC

HAWKINS CLOWARD & SIMISTER, LC

CERTIFIED PUBLIC ACCOUNTANTS

May 24, 2007



HAWKINS CLOWARD & SIMISTER

CERTIFIED PUBLIC ACCOUNTANTS, LC

JUAB COUNTY Schedule of Audit Findings December 31, 2006

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A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of Juab County.
2. Eight significant deficiencies in internal control were disclosed by the audit of the financial statements. None of these significant deficiencies were considered material weaknesses.
3. The audit disclosed three instances of noncompliance having financial statement significance.

B. FINDINGS — FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCIES

(Reportable conditions, related to the financial statements, are described below)

2006-1

Condition: There is insufficient monitoring of the third party ambulance billing done for the County. The third party billing company makes all non-payment credit adjustments to the accounts as well as receiving the payments. Monthly reports are provided to the County, but little analytical review of the activity is done.

Criteria: Policies and procedures should be in place to provide reasonable assurance the County is receiving all revenues to which it is entitled.

Effect: Ambulance service revenues constitute a major revenue source for the County. In excess of \$310,000 was received in 2006 from this source.

FINDINGS — FINANCIAL STATEMENT AUDIT (CONTINUED)

Recommendation: In addition to comparing the number of ambulance runs in the County to the number of runs for which the billing charges, payments shown on the billing reports should be compared to payments received by the County. All bad debt write-offs should continue to be approved by the Commission. Total revenues should be reviewed for reasonableness as compared to levels of activity.

Response: We concur with the finding and will implement the recommendations.

2006-2

Condition: Individual liability account balances in the County's Court Trust Fund are not being cleared out on a timely basis.

Criteria: The monies held in trust by the County should be monitored to provide for a monthly reconciliation of the individual liability account balances to a detailed record of whose monies are held, and a proper disposition of the monies.

Effect: Not performing the monthly reconciliations can result in not timely remitting collected monies due the State and other entities. It can also result in losing track of whose monies are being held.

Recommendation: We recommend that a detailed record be maintained of amounts in the individual liability accounts which is reconciled to the general ledger monthly. Residual balances due to the State should be remitted. Money in court-related liability accounts which no longer represents a fiduciary obligation should be transferred to the County as fine revenue. The JP's Office should consider the use of an automated system to track and reconcile the amounts in the JP bail account.

Response: We concur with the finding and will implement the recommendations.

2006-3

Condition: The County needs to improve its monitoring of, and controls over the dispensing of motor fuel from its inventory.

Criteria: Controls should be in place to ensure that motor fuel purchased by the County is only used for approved County purposes.

Effect: Inadequate controls can lead to the use of fuel for personal or other inappropriate purposes.

FINDINGS — FINANCIAL STATEMENT AUDIT (CONTINUED)

Recommendation: We recommend that appropriate controls be determined, using a reasonable cost/benefit analysis, and put in place to help ensure that County fuel is used only for approved County purchases. Responsibility for monitoring of the controls should be clearly established.

Response: We concur with the finding and will implement the recommendation.

2006-4

Condition: The landfill operating fund continues to operate at a loss, due to contract fees transferred from JRDA being less than the County's operating costs.

Criteria: Proprietary funds should be operated such that fees charged cover the cost of the services rendered.

Effect: The losses require the subsidy of the cash flow requirements of the landfill operation by other funds.

Recommendation: We recommend the County make a careful review of the landfill operating costs, including administrative costs charged by the General Fund and equipment depreciation, and negotiate with JRDA to cover the costs via contract fee payments.

Response: We concur with the finding and will implement the recommendation.

2006-5

Condition: In our testing of expenditures, we noted two checks for which the supporting documentation didn't appear to have evidence of written authorization.

Criteria: All disbursements should have documentation evidencing approval by an authorized person.

Effect: Lack of processes to insure the documentation of expenditure approval can result in improper expenditures and misclassification of costs.

Recommendation: We recommend the County re-emphasize its policy of requiring and retention of complete documentation for expenditures prior to the preparation of checks.

Response: We concur with the finding and will implement the recommendation.

FINDINGS — FINANCIAL STATEMENT AUDIT (CONTINUED)

2006-6

Condition: In order to facilitate the electronic payment of federal payroll taxes, County personnel set up an account at a local bank in the name of the County. This was not done by the Treasurer's Office and the account and related statements are controlled by the Clerk/Auditor's Office.

Criteria: All County bank accounts should be approved by, and be under the control of the Treasurer, unless a fiscal administration ordinance passed by the Commission authorizes otherwise.

Effect: Lack of the segregation of custody of assets from the related accounting can result in inappropriate transactions and incomplete financial reporting.

Recommendation: We recommend that the Treasurer be added as a signatory on the account and that the bank statement be sent to the Treasurer's Office. The County should consider sending a statement to local financial institutions informing them that only the Treasurer is authorized to open bank accounts in the name of the County.

Response: We concur with the finding and will implement the recommendation.

2006-7

Condition: Updated detailed job descriptions do not exist for many significant positions within the County.

Criteria: To facilitate a smooth transition in the accurate and timely performance of responsibilities, detailed job descriptions should be required to be prepared and maintained for significant positions.

Effect: Failure to have such job descriptions could lead to an interruption or delay in the County's provision of services.

Recommendation: We recommend that positions for which job descriptions are critical be identified and the related individuals be given the assignment to complete them. They should be reviewed and approved by the department head.

Response: We concur with the finding and will implement the recommendation.

2006-8

Condition: Regular communications are not occurring with all County personnel to inform/remind them of County personnel policies regarding ethical behavior and fraud prevention/detection.

FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

Criteria: Regular communications are part of a ongoing fraud prevention program.

Effect: Failure to communicate can result in an increased risk of loss due to fraud.

Recommendation: We recommend that these communications be made to all employees in meetings at least annually.

Response: We concur with the finding and will implement the recommendation.

NONCOMPLIANCE

2006-9

Condition: The monies accumulated in the Landfill closure/post-closure investment account are insufficient to cover the current estimated costs of closure/post-closure.

Criteria: The financial assurance mechanism in the operating permit requires that, at the end of the permit period, funds be in place to perpetually cover those costs.

Effect: Since the permit is beyond the end of its 5-year period, the County is in noncompliance with the contractual term of the permit.

Recommendation: We recommend the transfer of funds from the 'Revenue' PTIF account in sufficient amount to bring the closure/post-closure fund to the required balance.

Response: We concur with the finding and will implement the recommendation.

2006-10

Condition: The County could be more active in placing its temporarily idle funds in PTIF accounts.

Criteria: State law requires the County take prudent steps to invest funds to obtain an investment return, within the bounds of safety and liquidity.

Effect: By not taking advantage of PTIF investment accounts with all idle funds, the County foregoes interest revenue it could generate.

Recommendation: We recommend that the County establish a PTIF account for temporarily idle funds in the pooled checking/sweep account. This new PTIF account could also facilitate the electronic transfer of funds from the State and other funding sources for the General Fund.

FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

Response: We concur with the finding and have implemented the recommendation.

2006-11

(See finding 2006-4 for description of ongoing deficit in Landfill Operating Fund – deficits in fund equity in any fund are not compliant with State law)

C. CURRENT YEAR STATUS OF PRIOR YEAR AUDIT FINDINGS

Significant Deficiencies

2005-1

Condition: There is insufficient monitoring of the third party ambulance billing done for the County. The third party billing company makes all non-payment credit adjustments to the accounts as well as receiving the payments.

Criteria: Policies and procedures should be in place to insure that 1) all ambulance run information is converted to billings timely, 2) all payments on account are properly accounted for and 3) account write-offs and write-downs are properly approved.

Effect: Ambulance service revenues constitute a major revenue source for the County. In excess of \$325,000 was received in 2005 from this source. Although the County experienced a significant increase in net revenue in 2005 after having engaged the billing service, it is prudent to monitor the activity.

Current status: Although some monitoring is occurring, additional procedures are recommended. See current year finding 2006-1.

2005-2

Condition: Individual liability account balances in the County's Court Trust Fund are not being sufficiently monitored.

Criteria: The monies held in trust by the County should be monitored to provide for a monthly reconciliation of the individual liability account balances to a detailed record of whose monies are held, and a proper disposition of the monies.

Effect: Not performing the monthly reconciliations can result in not timely remitting collected monies due the State and other entities. It can also result in losing track of whose monies are being held.

CURRENT YEAR STATUS OF PRIOR YEAR FINDINGS (CONTINUED)

Current status: Some improvement has occurred in monitoring the balances. The JP has made a review of the records for all known JP bail monies being held. The amount in the general ledger account in excess of this amount will be transferred to the General Fund after the expiration of a given period of time. Additional monitoring should occur. See current year finding 2006-2

2005-3

Condition: The County needs to improve its monitoring of, and controls over the dispensing of motor fuel from its inventory.

Criteria: Controls should be in place to ensure that motor fuel purchased by the County is only used for approved County purposes.

Effect: Inadequate controls can lead to the use of fuel for personal or other inappropriate purposes.

Current status: This finding remains unresolved. See current year finding 2006-3

This Schedule of Audit Findings and Responses is intended solely for the information and use of management, federal awarding agencies, pass-through entities and the Utah State Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties.

Hawkins Cloward & Simister, LC

HAWKINS CLOWARD & SIMISTER, LC

CERTIFIED PUBLIC ACCOUNTANTS

May 24, 2007



HAWKINS CLOWARD & SIMISTER

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UTAH STATE COMPLIANCE REPORT BASED ON THE REQUIREMENTS, SPECIAL TESTS, AND PROVISIONS REQUIRED BY THE STATE OF UTAH'S LEGAL COMPLIANCE AUDIT GUIDE

Honorable Board of Commissioners
Juab County
Nephi, Utah

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Juab County, Utah, as of and for the year ended December 31, 2006, and have issued our report thereon dated May 24, 2007. As part of our audit, we have audited Juab County, Utah's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching; level of effort, or earmarking; special tests and provisions applicable to each of its major State assistance programs as required by the State of Utah Legal Compliance Audit Guide for the year ended December 31, 2006. The County received the following major State assistance programs from the State of Utah:

- B & C Road Funds (Department of Transportation)
- Liquor Law Enforcement (State Tax Commission)
- Community Impact Loans (Department of Community and Economic Development)
- Transient Room Tax (State Tax Commission)

The County also received the following nonmajor grants which are not required to be audited for specific compliance requirements: (However, these programs were subject to test work as part of the audit of Juab County, Utah's financial statements.)

- Payment in Lieu of Taxes (Department of Natural Resources)
- Public Library Service Development Grant (Department of Community and Economic Development)
- Bookmobile Service Transition Grant (Department of Community and Economic Development)
- RS2477 Grant (Department of Transportation)
- Predator Control Grant (Department of Natural Resources)
- Mosquito Abatement Grant (Department of Health)
- Surveyor Grant

Our audit also included test work on the County's compliance with those general compliance requirements identified in the State of Utah Legal Compliance Audit Guide, including:

- Public Debt
- Cash Management
- Purchasing Requirements
- Budgetary Compliance
- Truth in Taxation and Property Tax Limitations
- Liquor Law Enforcement
- Justice Courts Compliance
- B & C Road Funds
- Uniform Building Code Standards
- Statement of Taxes Charged, Collected, and Disbursed
- Assessing and Collecting of Property Taxes
- Transient Room Tax
- Asset Forfeiture
- Other Compliance Issues

The management of Juab County is responsible for the County's compliance with all compliance requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described below.

CURRENT YEAR FINDINGS

1. Finding

The County's Landfill Operation Fund had a deficit retained earnings balance at December 31, 2006.

Recommendation

We recommend the County make a careful review of the landfill operating costs, including administrative costs charged by the General Fund and equipment depreciation, and negotiate with JRDA to cover the costs via contract fee payments.

County's Response

We concur with the finding. We will review the costs and continue negotiating with the JRDA board for contract payments sufficient to cover the operating expenses and eliminate the deficit.

2. Finding

The County's expenditures exceeded budgeted amounts in the following departments:

General Fund

Recorder	5,129
Extension Service	445
Exhibits	689
Contributions	100
Jail	23,468
Alcohol Enforcement	2,714
Drug Law Enforcement	33
Transfer to Fire District	5,450

Recommendation

We recommend that care be taken to hold departmental expenditures within budgeted amounts.

County's Response

We concur with the finding and will implement the recommendation.

3. Finding

In testing the quarterly building permit surcharge reports we noted that the second quarter report was filed more than 30 days late. Also, the surcharge due to the State was underpaid by \$30.

Recommendation

We recommend that care be taken to properly complete the surcharge reports and file them on a timely basis.

County's Response

We concur with the finding and will implement the recommendation.

4. Finding

We noted that the County failed to remit the State's portion of fines and forfeiture revenue by the 10th day of the following month.

Recommendation

We recommend that the required remittances be made timely.

County's Response

We concur with the finding and will implement the recommendation.

5. Finding

In reviewing the transactions and balances in the Court Trust Fund, we noted instances of balances for which County personnel were unable to provide the detail of the monies held.

Recommendation

We recommend that a detail be maintained of each of the balances in the Court Trust Fund and reconciling the detail monthly to the balance reflected in the general ledger.

County's Response

We concur with the finding and will implement the recommendation.

CURRENT STATUS OF PRIOR YEAR FINDINGS**1. Finding**

The County's Landfill Operation Fund had a deficit retained earnings balance at December 31, 2005. Although a transfer of approximately \$130,000 was made to this fund in 2005 by the JRDA Landfill Fund there remains a small deficit, approximately \$22,000 at the end of the year.

Current Status

The finding remains uncorrected. See current year finding 2006-1

2. Finding

The County exceeded budgeted expenditure amounts in some departments in the General Fund and in the Convention Bureau Fund.

Current Status

There were some General Fund departments that exceeded budgeted expenditures in 2005. See current year finding #2.

3. Finding

In testing property taxes we found that the Assessor's office personnel were unable to locate one of the greenbelt applications selected by us for testing.

Current Status

We found no missing applications in our current year audit testing.

4. **Finding**

We noted that the County failed to file the 2005 unclaimed property report by May 1 of 2006. There were a number of outstanding checks that were reportable.

Current Status

The unclaimed property report for 2006 was filed timely.

5. **Finding**

In reviewing the transactions and balances in the Court Trust Fund, we noted instances of balances for which County personnel were unable to provide the detail of the monies held. Also, some monthly remittances of funds to the State did not match the amount collected in the prior month.

Current Status

Some improvement has occurred in monitoring the balances. The JP has made a review of the records for all known JP bail monies being held. The amount in the general ledger account in excess of this amount will be transferred to the General Fund after the expiration of a given period of time. Additional monitoring should occur. See current year finding #5.

6. **Finding**

We noted that the property tax revenue was not amended to agree with the State Tax Commission form TC-693 for 2005.

Current Status

This finding was corrected for the 2006 year.

We considered the current year instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, Juab County, Utah complied, in all material respects, with the general compliance requirements identified above and the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; and special tests and provisions that are applicable to each of its major State assistance programs for the year ended December 31, 2006.

This report is intended solely for the information and use of management and the Utah State Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties.

Hawkins Cloward & Simister, LC
HAWKINS CLOWARD & SIMISTER, LC

CERTIFIED PUBLIC ACCOUNTANTS

May 24, 2007

JUAB COUNTY

**Schedule of Expenditures
Transient Room Tax and
Tourism, Recreation, Culture and Convention Facilities Tax**

For the Year Ended December 31, 2006

Transient Room Tax

Establishing and promoting tourism	<u>\$ 48,644</u>
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Tourism, Recreation, Culture and Convention Facilities Tax (TRCC)

Financing tourism promotion	\$ 29,480
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Operation and maintenance of Recreation Facilities	50,000
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Total expenditures of TRCC taxes	<u>\$ 79,480</u>
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